

YSON
Best Concrete
the World
Specialists in Reinforced Concrete Design
& Suppliers of Reinforcement

FINANCIAL TIMES

No. 27,603

Thursday July 6 1978

**15p

Steel Stockholders
HALL BROS
(West Bromwich) Ltd.
Tel: 021-552 3351
Telex: 337473

NEWS SUMMARY

ERAL

BUSINESS

Police pay rise urged

Women should get a pay rise of more than 40 per cent, the Lord Edmund-Davies is now being studied by the net.

The Government had hoped to an initial 10 per cent with money phased over two or three years, but it is likely that more generous formula will be found to satisfy the Federation.

Police are expected to be when the Government is announced later this year, that the police are a vital case and that their pay should not be taken as a target for other public service claims. Back Page

ana changes

ma's head of state, Ignatius Iempong, has resigned and succeeded by Lieutenant-General Fred Akuffo, chief of the armed forces. General Acheampong had survived several attempts to unseat him since he came to power six years ago in a bloodless coup.

RAF base

RAF airfield at Fairford, Wiltshire, is to be made available to the U.S. Air Force use by a KC-135 aerial tanker-raft squadron. Mr. Fredley, Defence Secretary, said the decision would cause noise and pollution to the area. Back and Page 8

C report

Greater London Council would broaden its role as a public authority, says a report by Sir Frank Marshall, former Mayor of Leeds City Council. It recommends that the GLC should take over some Whitehall functions and hand over some day-to-day tasks to town halls. Page 6, Editorial Comment Page 18

ade defeated

Simon Wade was defeated 4-2 by Chris Evert in the Wimbledon semi-finals. Evert played in the final tomorrow against Martina Navratilova, who at Evonne Cawley 2-6, 6-4, 4-1. The Nastase has decided to appeal against his three-month ban. He will also pay the 700 fine for persistent misbehaviour. Page 7

anker protection

ance has quadrupled the minimum offshore distance for oil tankers passing its Atlantic coast. It will also have one of the world's most powerful tugboats standby off the Brittany coast for future oil tanker emergencies. Page 2

ront defections

he Rhodesian Government said that the reported defection of 15 senior Patriotic Front officials as a political triumph for the coalition in its fight for international recognition. Page 4, ten and Matters Page 18

inzburg trial

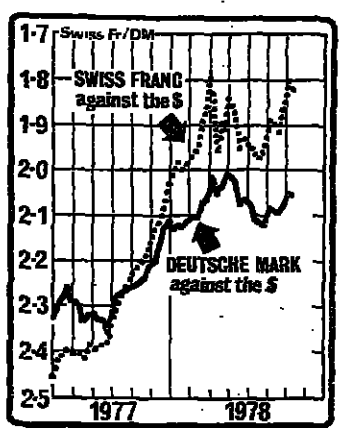
ussian dissident Alexander Solzhenitsyn is to go on trial on Monday on charges of anti-Soviet activity. In Paris, 50 French nuclear physicists said they had asked French authorities to find post for imprisoned Soviet physicist Yuri Orlov. Page 2

Briefly...

300,000 premium bond prize goes to Leicestershire holder of bond YKT 68865.
At least 340 Australians are suffering from food poisoning after eating Sydney rockysters.
The two-man crew died when a Royal Aircraft Establishment Buccaneer jet crashed near West Freugh, Wigtownshire.
Northampton North Labour Party is to table a motion that Mrs. Maureen Colquhoun should not represent it at the next election.
A chaplain to the Queen has been charged with using insulting behaviour at Wimbledon.
Israel has set up the Middle East's first camel clinic. It will provide x-rays, blood and urine tests for Bedouin tribesmen's camels.

Dollar steadier against D-Mark

THE DOLLAR remained nervous on the outcome of the EEC summit at Bremen. But pressure eased, and it improved against the Deutsche Mark and



the Swiss franc. Its weighted average depreciation widened to 7.8 per cent against 7.5 on Monday. Sterling fell 45 points to \$1.5700. Its trade-weighted index was unchanged at 61.4.

GOLD fell \$1 to \$184.1.

GILTS were easier at the long end, with falls extending to 1. Government Securities Index fell 0.28 to 69.02.

EQUITIES were quiet, with investors worried about pay confrontation and the economy. FT 30-Share Index finished 1.1 down at 452.0.

WALL STREET closed 7.10 lower at 805.79.

Chrysler strike goes on

CHRYSLER toolmakers' leaders rejected management and union appeals for a return to work in a pay dispute which has stopped Midlands production. The Government will be asked to pass on guidelines to the European Council meeting in Bremen tomorrow and on Friday.

But there is no question in Bonn of bowing to the new zone into being through Bremen decision. Key problems remain to be solved.

The German side will be satisfied if accord can be reached by all nine Community leaders to pass on guidelines to the European Council meeting in Bremen tomorrow and on Friday.

That action, the Germans feel, will be far from burying the scheme which Herr Schmidt broached in general terms and great secrecy at the Copenhagen council meeting in April.

There has been no overall political agreement to go ahead with the idea. The British have considerable doubts about it, and a long list of conditions they think must be fulfilled if the scheme is to come to fruition.

NATIONAL COAL Board and National Union of Mineworkers signed the first plan for holding back trade between the two nationalised industries. Back and Page 8

NATIONAL ENTERPRISE Board plans to take a 30-30 per cent stake in Logica, the computer software company. Page 7

FORD car dealers sold more vehicles at each outlet last year than any other network, a survey said. Page 6

SIX HUNDRED Plessey Telecommunications workers at Edge Lane, Liverpool, are to be made redundant because of fall in demand for phone equipment. Page 8

COOPERATIVE WHOLESALE Society is to invest £10m over three years to build up its manufacturing base in Scotland. Page 6

COMPANIES

J. SAINSBURY reports sales ahead of budget and an improved market share of 8.5 per cent. Page 28

JOHN WADDINGTON second-half taxable earnings fell to £309,000 from £125m. Page 28

Heath pledges aid for Mrs. Thatcher in election battle

BY RUPERT CORNWELL, LOBBY STAFF

Mr. Edward Heath pledged last night to do his utmost in the forthcoming election campaign to send Mrs. Margaret Thatcher to Westminster as Prime Minister.

In doing so he ended more than three years of bitter and self-imposed exile since Mrs. Thatcher replaced him as Tory leader and took a big step towards ending the internal divisions which since have plagued the party.

As part of the Penistone by-election campaign, the former Prime Minister promised at Stockbridge, South Yorkshire, in a speech which will delight Conservatives of every hue, that he would fight as hard as he had ever done for the return of a Tory Government.

Conservative voters can be assured, he declared in a key passage "that I shall continue to play my part and that the change of leadership makes no difference to my determination. I wish Mrs. Thatcher every success. Together we must fight hard to gain the victory we all want."

What is also significant is that for almost the first time since he was ousted in February 1975, Mr. Heath referred twice to his victorious rival by name, as he delivered a stinging attack on Labour and its record.

But his return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's gesture will not increase speculation that Mrs. Thatcher may recall Mr. Peter Walker, her erstwhile lieutenant, to lead the first directly elected Conservative delegation to the European Parliament.

But, what will mean most to the party is the enormous boost to morale. Labour, meanwhile, will lose one of its most telling arguments, that the Conservative leadership, under extremist leadership, are split hopelessly between Left and Right wings.

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

most effective Tory critics of the Government.

The former Prime Minister gave a warning that the Tories faced a hard struggle to dispel the smugness exuded by Mr. James Callaghan. But a Conservative government was in the best interests of Britain.

Labour had presided over record unemployment and inflation and a drop of 20 per cent in the value of the Pound. The economy had stagnated for four years and output today was barely higher than during the three-day week of early 1974.

Mr. Heath demanded: "What has the Prime Minister to be complacent about? We must first recognise our real situation, not smother it. We must try to recreate our sense of purpose and re-establish our confidence."

Last night Mr. Walker said he had never been in any doubt that when it came to election battles Mr. Heath would be pitching in harder than most on behalf of the Conservative Party.

Mr. George Gardiner, Tory MP for Reigate and one of the most active campaigners to replace Mr. Heath as leader said: "Clearly Ted is throwing his full weight behind Margaret and Tory policies. We all say welcome back."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Ministers resigned to lost revenue

By Richard Evans, Lobby Editor

THE GOVERNMENT will take no immediate steps beyond the 14 per cent National Insurance surcharge to recoup the revenue lost by the additional cuts in income tax achieved in May by the Opposition parties.

Instead, Treasury Ministers will study the economic situation between now and November to decide what, if any, action is necessary to ensure that the public sector borrowing requirement remains within the £8.5bn announced in the Budget.

Mr. Joe Barnett, Chief Secretary to the Treasury, implied yesterday during the report stage of the Finance Bill in the Commons that there was every hope among Ministers that further action would not be necessary.

MPs were debating the Government's proposal to increase employers' National Insurance surcharge by 1½ per cent, which will produce £330m this year, leaving a shortfall in revenue of £140m on Budget calculations.

Mr. Barnett confirmed that the Government would accept the two Opposition amendments that did the damage: the reduction in standard rate by 1p to 33p and the raising of the higher band rates.

The Government had hoped to increase the National Insurance surcharge by 2½ per cent but was forced to reduce the amount in order to gain the support of the Liberals.

Mr. Barnett admitted that the surcharge, strongly opposed by the Conservatives because of its adverse effect on employment, would have some impact on company cash flow but he believed it would have been far more damaging to raise value-added tax as the Conservatives advocated. This would have led to higher prices and excessive wage settlements.

"Sir Geoffrey Howe, 'shadow' Chancellor, said that the surcharge would be a tax on jobs, profits, and investment. The surcharge was taking the country in the wrong direction.

During the debate Mr. Barnett implied that the Government might increase cash limits in the public sector, such as the National Health Service, in order to offset the effects of the higher surcharge.

The currency zone is not on the official agenda at Bremen. It will be discussed informally, but intensely, outside the conference chamber.

The formal agenda includes a survey by Herr Schmidt of German aims for its current summit presidency of the Community Council. There will also be close discussion of the agenda for the Western economic summit in Bonn 10 days later.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Mr. Robert Strauss, U.S. Special Trade Representative, said Washington thought there was a little chance, if any, of reaching even broad agreement in the GATT multilateral trade negotiations before the Bonn summit. There was substantial disagreement on agriculture.

Egypt peace plan envisages role for UN

BY OUR FOREIGN STAFF

Egypt yesterday published its latest Middle East peace proposals. They are essentially a restatement of basic Arab demands, but are set within a different framework and involve a supervisory role for the UN. Israel regards the plan as unacceptable, but is none the less virtually certain to send Mr. Moshe Dayan, Foreign Minister, to London for talks with Mr. Mohammed Ibrahim Kamel, Egypt's Foreign Minister, later this month.

THE EGYPTIAN plan calls for the abolition of Israeli military government in the Gaza Strip and the occupied West Bank, including East Jerusalem, at the start of a five-year transitional period. It comes in response to an Israeli proposal offering limited autonomy for the occupied territories.

The Egyptian proposals make clear that although Cairo wants the military government to end, it is also aware of Israel's security needs.

The countries' two widely divergent proposals will form the basis of discussions at a meeting in London later this month.

There are no revelations in the Egyptian scheme, the basis of which was rejected by the Israeli Government even before it was officially published. The essence of the plan is for the West Bank to become the responsibility of Jordan during a five year period, while Egypt would accept responsibility for the Gaza Strip.

This would effectively mean a return to the borders that existed before the 1967 Middle East war, but with the difference that this time the Egyptians and Jordanians would exercise their responsibility "in co-operation with the freely-elected representatives of the Palestinian people, who shall exercise direct authority over the administration of the West Bank and Gaza Strip."

Egypt suggests that the UN should supervise and facilitate the Israeli withdrawal, together with the restoration of Arab authority.

While the Egyptian proposals are in essence a restatement of the historical Arab position as spelled out by President Sadat in his speech in Jerusalem last November, they do reflect a shift away from the Cairo insistence that a broad declaration of principles be agreed.

This in turn is a reflection of the bitter disagreement between Egypt and Syria and Mr. Sadat's desire to bring King Hussein of Jordan to the negotiating table. These latest Egyptian proposals suggest no role for the Syrians and also avoid mentioning the Palestine

common elements in the peace plans of the two countries. Intensive discussions got under way in Jerusalem today on the Egyptian plan, Israel's response to it, and the guidelines which will be given to Mr. Dayan if the Cabinet decides on Sunday, as expected, to approve his going to London.

Rami G. Khouri writes from Amman: Mr. Adnan Abu Odah, Jordan's Information Minister, said tonight that Jordan was studying the plan and might issue a statement tomorrow.

However, the Jordanians are likely to be cautious about any public statements concerning their involvement with the West Bank, as the 1974 Arab Summit at Rabat decided that the sole legitimate representative for the Palestinians of the West Bank in any resumed peace negotiations must be the PLO.

Text of proposals Page 4
Editorial Comment Page 18

Schmidt hopes to make progress over currency

BY JONATHAN CARR

Chancellor Helmut Schmidt of West Germany is hoping for further advance on his plan for a wider zone of currency stability in Europe at the European council meeting in Bremen tomorrow and on Friday.

But there is no question in Bonn of bowing to the new zone into being through Bremen decision. Key problems remain to be solved.

The German side will be satisfied if accord can be reached by all nine Community leaders to pass on guidelines to the European Council meeting in Bremen tomorrow and on Friday.

That action, the Germans feel, will be far from burying the scheme which Herr Schmidt broached in general terms and great secrecy at the Copenhagen council meeting in April.

There has been no overall political agreement to go ahead with the idea. The British have considerable doubts about it, and a long list of conditions they think must be fulfilled if the scheme is to come to fruition.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

Mr. Heath's return to the fold is not without conditions. He gave a pointed warning that, in contrast with the partisan Right-wing approach which Mrs. Thatcher is frequently accused, the party should be middle-of-the-road and broad-based.

Stressing the "moderate and fair-minded" administrations of Churchill, Eden, Macmillan and Home, in which he had served, Mr. Heath continued: "That was also the purpose of my government in which Mrs. Thatcher, and many of those on the Opposition front bench, were Ministers. I want to see the British people again represented in this way."

It is also emphasised that agreement to go ahead with study of the currency plan does not automatically imply that all states will join the zone at the same time.

That is important to Mr. James Callaghan, who may soon face a General Election. A specific commitment to join the currency zone might, it is felt, be held against him, but an accord simply to proceed with the study would not compromise him.

Herr Schmidt's scheme springs from his belief that the fluctuating exchange rates of the past few years have hindered growth and employment. The view is shared by President Valéry Giscard d'Estaing of France.

If the scheme emerges it will mean the end of the so-called European "snake" currency arrangement, but not of the discipline the "snake" involves.

A different name will be given to a new European system with an inner ring of currencies held in close mutual relationship, and an outer ring of other currencies with wider fluctuation

EUROPEAN NEWS

W. German unemployment at four-year low in June

BY GUY HAWTIN

FRANKFURT, July 5.

UNEMPLOYMENT IN West Germany declined last month to its lowest level since 1974. However, Herr Josef Stügel, president of the Federal Labour Office, said today that the figures gave no grounds for rejoicing as joblessness was continuing at an "appalling high" level.

Statistics issued by the Federal Labour Office today show that the number of unemployed in the Federal Republic fell by 35,678 to 577,319. This brings the country's unemployment rate down from May's 4 per cent of the total labour force to 3.9 per cent in June.

Herr Stügel said that the improvement in the labour market was attributable above all to the upturn in the construction industry. In addition, as a result of variations in school holiday periods from state to state, fewer school leavers had registered as unemployed.

Germany is, however, declining at a far faster rate than last year when the May-June decline was 15,500. The June unemployment figures were also a full point below the comparable figure for 1977.

Obviously, seasonal factors provided the main reason for the decline and seasonally adjusted statistics show an unemployment rate of 3.94 per cent in June compared with the previous month's 3.97 per cent. While this again is the lowest level for a considerable period, Herr Stügel drew little satisfaction from the returns as joblessness remains particularly high in the Federal Republic's industrial strongholds of Duisburg, Gelsenkirchen and the Saarland.

The sharpest decline in joblessness was among male workers. The number of unemployed men fell 6.5 per cent to 409,409 from May to June. Furthermore, the June total for unemployed males stood 9.2 per cent beneath the

level recorded in the same month of 1977.

Against this, the number of women out of work fell back from May to June by only 5,977 to 46,910, which was just 2.5 per cent below the position a year earlier. The unemployment rate among males at the end of June stood at 2.9 per cent compared with 3.1 per cent in May. The rate of unemployment among women on the other hand stood at 5.5 per cent last month against May's 5.6 per cent.

The Labour Office president also reported a small 2 per cent decline in the numbers hit by short-time working. The total dropped from May to June by 4,806 to 230,516. The short-time working figures, however, have been greatly inflated by a near 100 per cent increase in the number of coal miners working reduced shifts, primarily as a result of heavily reduced demand from the steel industry. Currently there are 86,505 coal miners on short time.

IN A SPEECH to the Bundestag in April, Count Otto Lambdors, the West German Economics Minister, promised that among the features of Bonn's newly begun six-month presidency of the European Council would be a new initiative on energy policy. Specifically, he said he wanted the Nine to discuss how best to make use of their plentiful, if increasingly costly, reserves of coal.

Details of West German thinking on a European coal policy are not yet known. But Bonn has this spring set in motion a huge investment programme designed to prepare for the day when energy prices are high enough to justify major increases in the use of Germany's hard coal—the country's only abundant domestic energy resource.

The West German coal industry has for some years been burdened by short-term financial problems that have made it hard to find the cash needed to undertake longer-term investment in new pits, new technologies for mining and new ways of using coal itself more economically. Coal sales have been falling, coal and coke stocks at the pithead deteriorating as output has been cut back. In 1977 Ruhrkohle, the giant of the industry with 82 per cent of West German hard coal production, suffered operating losses of DM 520m.

For some years now, the federal Government and the coalfield states have had to help out with operating subsidies, social assistance to ease the continuing run-down of the mining labour force, and not least, with money for stocks of 34m tonnes that are still rising. In all, Ruhrkohle's losses in 1977 were DM 450m, a year according to Count Lambdors's own figures.

Yet it has been necessary for the federal and state Governments to swallow hard and to go ahead with a new programme which will give the industry DM 620m a year during 1978-81, with the aim of securing long-term employment

Bonn launches long-term coal investment programme

BY ADRIAN DICKS

through new investment. Immediately, that means improving the equipment of existing coal mines. Fairly typical is the situation of the Westerholt complex, not far from the Ruhr town of Gelsenkirchen. This town's detailed plans of how Ruhrkohle will spend the DM 300m or so it will have available for mine improvement are not yet known to the local management or to the works council with whom many important decisions are often shared. Both

In addition to work in hand (which includes the sinking of a new, more efficient air shaft), Westerholt would like to be able to buy more new coal-cutting equipment. Its most recent fully-automated, hydraulic face, currently working a 400-metre-wide seam at a rate of 1 metre every two or three days, is a decade old and was acquired from a neighbouring pit that has been shut down.

Westerholt produces coal of four different grades, varying from high-level steam and coking coals down to lower-quality ballast coals. Sales are overwhelmingly to nearby power plants and coke ovens, to which much coal from the pit can be moved by conveyor belt. Under- ground, the colliery manager and the works council chairman agree, mechanisation has gone about as far as is technically possible. Productivity is high in keeping with the Ruhrkohle average of 3.895 kilos per man-shift worked below ground in 1977.

Yet there is uncertainty about the pit's future, if sales of coal

do not improve. Westerholt is running well below capacity, though short-time work for the men has been avoided so far. How viable the pit really is, and for how long, is still a matter that the men worry about. Even if as Ruhrkohle says, Westerholt has as long a future as any pit in the region, both the management and works council agree

that manning is going to be increasingly hard. Unskilled men are harder to acquire. As in other branches of German industry, foreign workers have been hired in large numbers, and they make up 19 per cent of Ruhrkohle's total work force. At Westerholt, over 800 of the total of about 4,000 men are Turks. Safety notices underground are in two languages.

It may seem paradoxical that the German coal mining industry should now be faced with the real prospect of a shortage of manpower, given that there has been a rundown in just 20 years from over 800,000 employees to well under 200,000 last year, and from 400,000 to 115,000 in the number of men working underground.

Yet the industry will become even more capital intensive in the future. While Germany has in theory vast coalfields stretching from the Ruhr out into the North Sea, the coal-bearing strata dive steadily deeper. New

Unskilled men are harder to acquire. As in other branches of German industry, foreign workers have been hired in large numbers, and they make up 19 per cent of Ruhrkohle's total work force. At Westerholt, over 800 of the total of about 4,000 men are Turks. Safety notices underground are in two languages.

It may seem paradoxical that the German coal mining industry should now be faced with the real prospect of a shortage of manpower, given that there has been a rundown in just 20 years from over 800,000 employees to well under 200,000 last year, and from 400,000 to 115,000 in the number of men working underground.

Yet the industry will become even more capital intensive in the future. While Germany has in theory vast coalfields stretching from the Ruhr out into the North Sea, the coal-bearing strata dive steadily deeper. New

pits planned for the north reaches of the Ruhr will have to reach the limits of present mining technology, which can reach far below 1,500 metres. As a result, Ruhrkohle is being carried out of underground automation of a though so far with little prospect that this will be feasible in terms of the temperature rise and the use of the

More important are the experiments now going on into efficient gasification of coal. The objective is to be able to work being carried out in Britain and the U.S.) is to produce synthetic natural gas capable being substituted for natural gas around the end of this century.

Ruhrkohle, Ruhrbas (in which BP now has a 25 per cent stake) and the Ruhrkohle-control Utility Group STEAG are partners in the Arbeitsgemeinschaft Druckgas. With a 1 per cent of the DM 100m cost but by the federal Research Minister the group is to start up a pilot plant next year at Dorsten, near Essen, called the Ruhr 1. Large pressurised gasification plant first developed in the 1950s and 1960s, the Dorsten plant is converting 3-10 tonnes of coal into synthetic methane at a pressure of up to 100 Bar (atmospheres pressure).

In theory, the process is attractive one, which offers number of other by-products well as using residual coke from the gasification process to provide high heat for the conversion of coal into synthetic methane. In practice, however, estimates of the difficulties of running it at such high pressures continuously, over long periods.

According to present calculations, the synthetic methane produced at Dorsten, which is fed into the gas mains, will cost at least four times as much as the natural gas which is now bought from Holland, Russia and Iran. But German energy planners are looking for when even that may seem cheap.

WEST GERMAN COAL USAGE						
	1973	1974	1975	1976	1977	1978
Hard coal use (m tonnes)	84.2	82.7	64.5	70.7	63.7	—
As per cent of all energy used	22	23	19.1	19.1	17.7	—
Coal and coke stocks (m tonnes coal equivalent)	18.7	17.0	3.4	14.7	24.9	—
Manpower ('000)	204	205	202	194	191	—

Reksten rumours denied

By Fay Gjester

OSLO, July 5.

RUMOURS in London that the troubled Reksten super-tanker, of Norway, might scrap four or five of its oldest very large crude carriers (VLCCs) have been denied by the group's managing director, Mr. Odd Kvaal.

The rumours, attributed to "banks in London," were reported in the Oslo Journal of Commerce and Shipping yesterday. They named the ships earmarked for scrapping as the Aurorian, Nerva, Kong Haakon VII, Octavian and possibly Gordian as well.

All five, the paper pointed out, belong to a class of VLCCs which will probably never be able to operate at a profit again. They are from ten to seven years old, turbine-driven and most costly to run than motor tankers. All five are at present laid up.

Denying that his group planned to scrap the ships, Kvaal said all five were of a very high technical standard, and safe in operation.

The Oslo newspaper Aftenposten reports today that Hambrus has asked the Norwegian Guarantee Institute for details of the economic prospects for every ship in the Reksten fleet. This currently comprises 12 super-tankers of 230,000 and 300,000 taw, plus one LNG carrier, the Lucian.

The agreement remains temporary and does not prejudice either country's continental shelf claims.

AN AGREEMENT between Russia and Norway on the regulation of fishing in a disputed area of the Barents Sea has been extended for a further year, to July 1, 1979. The extension was effected by an exchange of notes in Moscow last Friday, the Norwegian Foreign Ministry announced.

Under the agreement, Norwegians and Russians fish in the area according to their respective national laws, while each country's patrol boats police fishing by their own and third party vessels.

The agreement remains temporary and does not prejudice either country's continental shelf claims.

Spain's warring employers

Recession and unions provoke rift

BY DAVID GARDNER IN BARCELONA

IN THE face of a militant minority seeking open confrontation with Spanish trade unions and the Madrid government, Catalan employers yesterday sought to promote the candidature of Sr. Carlos Ferrer Salat for re-election as president of the Confederación Española de Organizaciones Empresariales (CEOE), the Spanish equivalent of Britain's CBI.

The elections are due in two months' time, and Sr. Ferrer has been under increasing pressure from employers who want a more vigorous defence of their interests against Government projects for fiscal reform and enhanced trade union freedoms in the workplace.

In Catalonia the government's proposed trade union Bill has aroused particular controversy. This took a sharp turn in May when SEFES, representing employers from the Baix Llobregat, the region's most important industrial area, decided to impose a 24-hour lock-out for each day lost through strikes. Amid growing support for its radical view, SEFES said it would support Catalonia's traditional employers' grouping, the Fomento de Trabajo Nacional, which is federated nationally in the CEOE.

Yesterday's meeting therefore also helped rank to close against SEFES and to take some heat out of Catalonia's increasingly tense industrial relations.

The Baix Llobregat, south and south-east of Barcelona, consists mainly of small to medium-sized firms serving the engineering industry, while the northern Valles is the stronghold of Cata-

Aid to shipbuilding urged by Parliament

BY PHILIP RAWSTORNE

LUXEMBOURG, July 5.

THE EUROPEAN Parliament today called on the EEC Commission to consider the need for radical measures to alleviate the crisis in the Community's shipbuilding industry.

Proposals for study put forward in a formal resolution include:

An EEC fund to implement a "scrap and build" scheme under which Community ship owners would be given special premiums to scrap older vessels and order new ships from European yards.

A Community preference scheme requiring ship owners to order all new ships, a high percentage, of their ships from EEC shipyards.

Allowances that would enable unemployed workers to retain full pay while waiting for a new job.

Payments to compensate workers for loss of wages, removal expenses, retraining costs and early retirement.

The Parliament's resolution also pressed for the inclusion of representatives of both sides of the industry in the committee of senior civil servants from the member states which the Commission proposes to establish to review and co-ordinate future policy.

Viscount Etienne Davignon,

Consumer move blocked

BY PHILIP RAWSTORNE

LUXEMBOURG, July 5.

THE EEC Commission's attempts to harmonise Community law on consumer protection suffered a severe setback at the hands of British Conservative MPs today.

At a private meeting of the European Parliament's legal committee, the Conservatives successfully challenged the Commission's right under the Treaty of Rome to introduce further consumer protection regulations.

Mr. Charles Fletcher-Cooke, Tory MP for Derby, secured a majority of one vote for a wrecking amendment to the Commission's proposals, after disputing its interpretation of the Treaty.

The Commission's plans, he argued, would also conflict with UK common law.

Christian Democrats, Liberals and Gaullists backed the Conservatives. The vote was 13 to 12 in favour of the Conservatives and their allies on the committee.

Viscount Davignon, Commissioner for Industry, is to consult Community lawyers before deciding whether to accept the defeat or to put the issue to another vote in the full Parliament.

Spain's warring employers

Recession and unions provoke rift

BY DAVID GARDNER IN BARCELONA

IN THE face of a militant minority seeking open confrontation with Spanish trade unions and the Madrid government, Catalan employers yesterday sought to promote the candidature of Sr. Carlos Ferrer Salat for re-election as president of the Confederación Española de Organizaciones Empresariales (CEOE), the Spanish equivalent of Britain's CBI.

The elections are due in two months' time, and Sr. Ferrer has been under increasing pressure from employers who want a more vigorous defence of their interests against Government projects for fiscal reform and enhanced trade union freedoms in the workplace.

In Catalonia the government's proposed trade union Bill has aroused particular controversy. This took a sharp turn in May when SEFES, representing employers from the Baix Llobregat, the region's most important industrial area, decided to impose a 24-hour lock-out for each day lost through strikes. Amid growing support for its radical view, SEFES said it would support Catalonia's traditional employers' grouping, the Fomento de Trabajo Nacional, which is federated nationally in the CEOE.

Yesterday's meeting therefore also helped rank to close against SEFES and to take some heat out of Catalonia's increasingly tense industrial relations.

The Baix Llobregat, south and south-east of Barcelona, consists mainly of small to medium-sized firms serving the engineering industry, while the northern Valles is the stronghold of Cata-

Ginzburg trial date set

By Our Own Correspondent

MOSCOW, July 5.

HAVING SPENT the last 17 months in custody, Mr. Alexander Ginzburg, a prominent Soviet dissident, will go on trial next Monday, charged with anti-Soviet agitation, his wife Anna said today.

Mr. Ginzburg, a member of the group which sought to monitor Soviet observance of the Helsinki accords and the administrator of a fund (set up with royalties from books by Mr. Alexander Solzhenitsyn) to aid political prisoners, faces a maximum sentence of 10 years imprisonment and five years internal exile.

By Yuri Orlov, physicist and the founder of the Helsinki Group, was sentenced in May by a Moscow court to seven years' imprisonment and five years' exile. Mr. Ginzburg faces a more severe sentence because he is considered a recidivist. He was sentenced to five years' imprisonment for anti-Soviet agitation in 1968 in connection with a "white book" he wrote on the 1968 trial of the writers Andrei Sinyavsky and Yuli Daniel.

Mrs. Ginzburg said she was informed of the trial date by Mr. Ginzburg's lawyer, Yelena Kiseleva. Mrs. Ginzburg had asked that her husband be defended by Mr. Edward Bennett Williams, an American attorney retained to represent him by Mr. Solzhenitsyn, but this was not allowed.

Mr. Ginzburg was the first of a national group of dissidents to be arrested.



President Leonid Brezhnev and other Soviet leaders receive the applause of Supreme Soviet delegates.

Kosygin: U.S. trade low

BY DAVID SATTER

MOSCOW, July 5.

MR. ALEXEI KOSYGIN, the Soviet Premier, today expressed disappointment with the low level of U.S.-Soviet trade in the first major address of a two-day session of the Supreme Soviet, the Soviet Parliament.

Mr. Kosygin told the Supreme Soviet session, which is expected to deal with economic problems, that only 2 per cent of the total volume of Soviet foreign trade is with the U.S., demonstrating that trade between the two countries was only at a preliminary stage.

This level of trade was attributed by Mr. Kosygin to U.S. reluctance to create trade conditions which are "generally acceptable in international practice," an apparent reference to the Jackson-Vanik Amendment, which ties favourable U.S.-Soviet trade conditions to freer Jewish emigration.

The present Supreme Soviet session is also expected to approve a Communist Party Central committee resolution which outlines shortcomings to be eliminated from Soviet agriculture including the poor organisation of the cultivation and harvesting of grain, sugar beets, sunflower seeds, potatoes and other vegetables.

Mr. Kosygin, 72, said that the Soviet Union was striving to increase foreign trade with all countries, including capitalist countries, but it was important

that the striving should be mutual. Soviet economic sources have estimated that unimpeded U.S.-Soviet trade could have an annual value of as much as \$7bn a year. Last year, however, bilateral trade had a value of only 1.5bn roubles (\$2.2bn) according to Soviet statistics, compared with a trade value of 2.2bn roubles (\$3.2bn) in 1976.

Mr. Kosygin's remarks may have been timed to underscore the Soviet attitude following the recent arrest and subsequent release of Mr. Jay Crawford, a representative in Moscow of International Harvester, a U.S. firm which has been a champion of greater U.S.-Soviet trade.

The Central Committee resolution laid stress on improving the Soviet agricultural production which had fallen short of its targets during the past two years and dwelt on milk and meat production, which are closely tied to grain production. He said rising demand for milk and meat was outstripping the increase in production.

Mr. Brezhnev also said that the Soviet Council of Ministers should draw up a long-term plan for improving living conditions in the countryside and increasing investment in that area by the "start of next year."

Soviet-West German trade revives, Page 4

Giscard reaffirms EEC role for Spain

By Robert Mauthner

PARIS, July 5.

THE FRENCH Cabinet today confirmed that it was in favour of Spain's entry into the Common Market in spite of last weekend's tough statement by M. Jacques Chirac, the Gaullist leader opposing Spanish membership. Ministers had earlier heard a report by President Giscard d'Estaing on his recent state visit to Spain, in which the President stressed that Spain would be an important political and economic partner for France within the European Community. It has been agreed, M. Giscard d'Estaing said, that the two governments would maintain close contacts. He said that the Spanish Prime Minister, Sr. Adolfo Suarez, would pay a official visit to France at the end of the year.

In addition, the two governments would draw up a comprehensive list of the problems arising for France and Spain from the latter's membership of the Community.

On the domestic front, the Government has decided to prepare a 10-year development plan for the south-western departments of France, important wine and fruit growing regions, to enable them to face up to the competition from Spanish producers.

Most of the opposition to Spanish membership is coming from these areas, which have already suffered severely from the competition of cheap Italian wine imports. M. Chirac and his Gaullist party, who are taking an increasingly independent line within the ruling coalition, clearly intend to make as much political capital as possible out of the French wine growers' opposition to Spain's entry into the Common Market.

Cabinet backs N-plant construction

By Our Own Correspondent

PARIS, July 5.

FRENCH NUCLEAR power plants will continue to be built at an annual rate of 5,000 MW of capacity in 1980 and 1981, according to a decision taken by the Cabinet today.

Mr. Giscard d'Estaing, the Minister of Industry, told the Cabinet that nuclear power plants would be producing energy equivalent to 45m tonnes of oil by 1985, about 20 per cent of the country's total energy requirements. The projected annual foreign currency savings of more than FF 20bn (\$4.4bn) at current oil import prices.

The Cabinet decision confirms the priority by which France, dependent on 75 per cent of its energy requirements on imports, has been giving to the development of nuclear energy since the 1973 oil crisis.

However, nuclear capacity is being installed at a slower rate than a few years ago, mainly because of lower demand for electricity in the present slack economic climate.

The Minister of Industry emphasised today that the development of nuclear energy was only one aspect of the Government's energy policy and that it would be accompanied by efforts to save energy and exploit national resources, particularly hydro-electrical power.

FINANCIAL TIMES published daily except on Sundays and public holidays. U.K. subscription £280.00 per annum. Second class postage paid at New York, N.Y.

France seeks tighter sea rules

BY DAVID WHITE

PARIS, July 5.

FRANCE IS to press its European partners and the world's shipping nations for more clearly-defined powers against vessels which infringe navigation rules and for higher crew standards and stiffer penalties in order to reduce pollution risks at sea.

The proposals form part of a plan presented to the French Cabinet today in the wake of the oil spill disaster involving the tanker Amoco Cadiz off the Breton coast three months ago.

French pressure for tighter international rules, to be exerted in the EEC and in the London-based Inter-Governmental Maritime Consultative Organisation (IMCO), is directed against existing flag-of-convenience practices.

French views about the degree to which flags of convenience are responsible for incidents like the Amoco-Cadiz disaster are not

shared by all its partners. The French plan involves an extra FF 150m (\$33m) in Government credits for monitoring, rescue and clean-up operations, especially in the Channel. At the same time the French are suggesting further changes in Channel routing arrangements which would keep traffic away from coastal danger-points. These are along the lines of the improved corridor arrangements already agreed.

Radical surveillance of maritime routes is to be improved as are lane markings. The French authorities will lease a powerful seagoing tug, to be based in the Breton port of Brest, where an extra tug will be stationed. The tug chosen up to assist vessels in difficulty. Other teams may later be set up in Cherbourg and Toulon.

Lynnon McLean adds: France will pay 25m over three years for either the Abeille Normande

tug or the Abeille Provence. Both are privately owned and on long term charter to the Societe Programat, Paris, the owner of the salvage company Les Abeilles Internationales. The tug Cadence will be on full-time standby charter to the French Government.

The agreement is expected to herald a new approach to salvage financing. Salvage work will be conducted on a Lloyds open form "no cure no pay" salvage contract of the type sought by the German tug captain during the rescue attempt on the Amoco Cadiz.

The Lloyds contract would form the basis of 90 per cent of all rescues according to Mr. Yves Dumont, managing director of Les Abeilles.

But if there was no agreement between the tug and a stranded vessel, "The French Government will impose a daily rate."

AMERICAN NEWS

Official loan-raising
may drive up
U.S. interest rates

STEWART FLEMING

NEW YORK, July 5.

CASTS that the U.S. Treasury and Government agencies will become very heavy borrowers in public debt markets in the second half of this year, leading to predictions that government demands could put upward pressure on U.S. interest rates.

Further evidence of the continuing steady rise in short-term interest rates came today in the news that Chemical Bank, a leading New York bank, increased its prime rate to 12 1/2 per cent, up from 12 per cent.

The bank's move to 12 1/2 per cent is the first time in over a year that it has raised its prime rate. It is also the first time since 1975 that it has raised its prime rate.

Through most of the year the bank's prime rate has been one to three-quarters of a percentage point below the prime rate of the Federal Reserve Bank.

The bank's move to 12 1/2 per cent is the first time in over a year that it has raised its prime rate. It is also the first time since 1975 that it has raised its prime rate.

It will be seen in the money markets as both an indication of rising money market rates and a precursor of a further rate increase.

One assumption in the money markets is that unlike 1977 when money market rates were high, this year's rise in money market rates is primarily due to the weakness of the dollar.

In a recent analysis, Mr. Irving Auerbach of the U.S. Securities and Exchange Commission said that the dollar's weakness is a major factor in the rise in money market rates.

Peru and IMF again seek
accord on stand-by credit

BY NICHOLAS ASHESHOV

LIMA, July 5.

MISSION from the International Monetary Fund (IMF) arrived here today to begin negotiations for a fourth time in six months, with the Peruvian authorities on the terms of a stand-by credit arrangement.

The Fund and the Government have been unable to reach an agreement on the terms of a stand-by credit arrangement. The Fund has been unable to reach an agreement on the terms of a stand-by credit arrangement.

The big question is whether the Fund and the Government can reach an agreement on the terms of a stand-by credit arrangement. The Fund has been unable to reach an agreement on the terms of a stand-by credit arrangement.

The financial situation is not as good as it looks. The Fund has been unable to reach an agreement on the terms of a stand-by credit arrangement.

It is better in the weeks, the Central Bank and the Finance Ministry have been run by a committee of experts who have been able to juggle the small amount of foreign exchange available in such a way as to mollify even the most impatient bankers.

Scuffles broke out and police rounded up scores of people as the former leader of the southern Andes and the third largest city in the country—was paralysed by a 24-hour sympathy strike.

It is worse, on the other hand, because reserves have reached a new record low of more than minus \$1.3bn-\$200m worse than

eight months ago. Inflation ran at 40-50 per cent in the first six months of the year. The rate for all of 1977 was 33 per cent.

The negotiations this week will involve insistence by the Fund that the authorities here either allow interest rates to rise or accept a stand-by credit arrangement.

Industrialists claim that this would have a disastrous effect on their already ailing businesses. Only the biggest and strongest of the local banks, the Banco de Crédito, is openly supporting higher interest rates.

The others say privately they fear that many loans could become uncollectable if rates rise.

Interest rates are not the only important issue which will be discussed by the Fund and the Government. However, they have become a central focus of argument in Lima because the issue appears to be clear—has Peru

slid so far down the financial hill that at least some of its industrial enterprises, presumably the largest, must be sold or liquidated in order to be able to pay their debts?

Reuter adds: Police used tear gas and water cannons to disperse crowds demonstrating yesterday at the Casa de la Cultura in support of a national strike by teachers for more pay, reliable reports reaching here said.

Scuffles broke out and police rounded up scores of people as the former leader of the southern Andes and the third largest city in the country—was paralysed by a 24-hour sympathy strike.

It is worse, on the other hand, because reserves have reached a new record low of more than minus \$1.3bn-\$200m worse than

eight months ago. Inflation ran at 40-50 per cent in the first six months of the year. The rate for all of 1977 was 33 per cent.

The negotiations this week will involve insistence by the Fund that the authorities here either allow interest rates to rise or accept a stand-by credit arrangement.

Industrialists claim that this would have a disastrous effect on their already ailing businesses. Only the biggest and strongest of the local banks, the Banco de Crédito, is openly supporting higher interest rates.

Low growth
forecast
by institute

By Jurek Martin

WASHINGTON, July 5.

LOWER REAL growth, slightly higher inflation, smaller corporate profits and higher unemployment are forecast for the U.S. economy next year in the mid-year review of economic prospects conducted by the Conference Board, the New York-based private research institution.

The Board's forum of 12 leading economists predicts 3.3 per cent real growth, compared to an estimated 3.8 per cent this year, 6.7 per cent in 1977 and 6.1 per cent in 1976. Inflation is forecast at 6.6 per cent, compared to an estimated 6.6 per cent this year, 6.7 per cent in 1977 and 6.1 per cent in 1976.

Only one member of the forum, however, predicted a recession next year in spite of a general expectation that the Fed would have to tighten the money supply and drive up interest rates to combat inflation.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

Reuter adds: Spending on new U.S. construction put in place rose by \$5.6bn or 3 per cent to a seasonally-adjusted annual rate of \$198.6bn in May, according to the Commerce Department.

U.S. URBAN RENEWAL

AT A DEED-SIGNING ceremony

in New York recently, two inner city groups, predominantly black and hispanic, acquired the title to the first two of 12 abandoned tenement buildings which they plan to convert into 150 high-quality, low-cost, co-operative apartments for themselves and their families. The groups, called People's Development Corporation and Adopt-A-Building, have been chosen by the federal

Department of Housing and Urban Development to test a project which, if successful, will be extended to other groups and other cities. Officially it is known as the "multifamily home-sharing demonstration," but the groups refer to what they are doing as "sweat equity."

In keeping with President Carter's vision of a new partnership between public and private sectors to deal with urban problems, the project involves a consortium of four city banks, led by Chemical Bank, which will lead initial construction funds at 1.5 points over prime rate, the interest not to exceed 10 per cent. The Department of Housing and Urban Development will supply long-term, low-interest (3 per cent) mortgages up to \$2.5m. For its part, the City of New York, besides providing the buildings at nominal cost, will allocate federal employment funds to training the participants in construction.

While the Federal Government has been encouraging home-sharing projects in recent years in inner city areas, it has never before ventured into the thorny area of multiple unit housing, although Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

Sweat
equity
in NYCBy Carole Korzeniewsky in
New York

polices have tended to be middle-class families bent on returning properties to their former glory. In the process, they have halted the deterioration of many neighbourhoods.

The new programme addresses itself to two seemingly insoluble problems—structural unemployment among minority youths and severe deterioration of housing stock in two of the hardest-hit neighbourhoods in New York, the South Bronx and the Lower East Side. Directly contradicting the conventional habits of slum clearance and massive projects, it attempts to deal with the problems on a micro-level: to search out sound housing stock in a relatively well-preserved street, to turn that street around, and then gradually to widen the circle.

Federal aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

aid is made contingent upon the existence of a strong neighbourhood organisation, ready and able to take on a long and arduous task. People's Development Corporation and Adopt-A-Building have successfully acquired several other large properties. In the past four years, the beneficiaries of federal

sources, each has completely rehabilitating multi-unit building and organised and begun work on adjacent ones. They have succeeded in reconstructing units for from half to one-third of the cost of professional work, and with quality which is generally as good if not better. Monthly mortgage and maintenance costs again are one-third of the going price in New York.

But the advantages go far beyond low rent and book-keeping. The Comprehensive Employment and Training Act (CETA), makes federal funds available to involve in the work youths who are considered "hard-core" unemployed. If, as Mr. Charles Lavan of the Urban Home-sharing Assistance Board points out, "they learn how to show up on time, use tools and hold a job," the programme will have accomplished a great deal.

Although Mr. Lavan concedes that he has "a real hard time in running CETA (training) programmes," he contends that the sweat equity groups are competitive with better-funded employment programmes in subsequently placing participants in jobs.

The sweat equity building owners are active on several fronts in creating alternatives to the stereotypes of ghetto life. They use, for instance, solar reflectors for part of their power supply.

Mr. Juan Villanueva, vice president and director of Urban Housing at Chemical Bank, who is administering the construction loan for the banking consortium, is quite confident that the projects will meet the terms and conditions set by the federal Government for acquiring permanent mortgage loans next year

OVERSEAS NEWS

Washington approves sale of Israeli-built fighters

BY DAVID BUCHAN

WASHINGTON, July 5.

THE CARTER Administration has given Israel the go-ahead to sell a number of its Kfir fighters, worth a reported \$300m, to Taiwan. But informed sources said the U.S. has at the same time refused a direct Taiwanese request for U.S.-made Phantom aircraft on the grounds that this would upset the military balance in the area.

U.S. approval is needed because parts of the Kfir jet engines and avionics are made in the U.S. by General Electric. Last year the Carter Administration turned down a similar request from Israel to sell Kfirs to Ecuador, arguing that such aircraft would

introduce a new element in the Latin American context. State Department officials said that the proposed sale to Taiwan would be the first big foreign sale of the Kfir, and the necessary permission was conveyed in person to the Israeli Government by the Vice President, Mr. Walter Mondale last week.

The Kfir is roughly comparable with the F-5 aircraft that the U.S. has already sold to Taiwan, and according to Government sources here, does not go beyond the capability of the F-5 range of aircraft that the People's Republic of China already possesses. By contrast,

the F-4 Phantom is a fighter bomber, not just an interceptor, and any sale of these to Taiwan would, it is felt here, deeply disturb Peking.

Taiwan had put the Phantoms at the top of its current shopping list, and its interest in the Kfir may have more to do with high pressure Israeli salesmanship than anything else. Nevertheless the go-ahead for the Kfir sale was considered a help to Israeli prestige here towards Jerusalem at a time when the Administration is putting considerable pressure on the Israelis to start talking to Egypt again on a Middle East settlement.

Salisbury welcomes Mugabe defections

SALISBURY, July 5.

THE REPORTED defection of 15 senior officials of Mr. Robert Mugabe's guerrilla movement was greeted with delight today by supporters of Rhodesia's transitional Government.

Government sources said they believed that if the 15 defectors returned to Rhodesia it would be a political triumph for the coalition in its fight for international recognition against the opposition of the Patriotic Front of Mr. Mugabe and Mr. Joshua Nkomo.

Even if they chose not to return to Rhodesia the Government would be able to draw satisfaction from an evident split in the ranks of the guerrilla alliance. No official comment was immediately forthcoming from the Government or from black nationalist organisations in the Salisbury coalition.

The Zimbabwe African National Union of the Rev. Ndabaningi Sithole stands to make the most political capital out of the reported defections. Mr. Sithole, who describes himself as the father of the nationalist guerrilla forces, is the leader of the Zimbabwe African National Liberation Army (ZANLA).

The reasons behind the defections were not clear, though reports said the 15 had been lured by Mr. Mugabe's offer of a recovery for Soviet-West German trade which last year declined for the first time since 1971.

The overall volume of trade increased 20 per cent reaching a value of DM 2,555m with West German exports of DM 1,250m and imports of DM 1,305m.

At the same time, West German purchases of Soviet goods, predominantly oil, petrol, and chemical products, increased 44 per cent to a value of DM 1,305m.

West German commercial sources believe the significant rise in West German exports and the major expansion of Soviet exports, which is in part due to trade so far this year, is also due to a number of factors.

Under long-term compensation agreements, which characterise trade for the rest of the year, Soviet-West German trade declined 1.4 per cent last year to a value of DM 1,095m.

The need to import machinery to realise industrial output targets of the Soviet economy has been the halfway point of the

Trade pact unlikely before Bonn Summit—Strauss

BY JUREK MARTIN

WASHINGTON, July 5.

THERE IS "little chance, if any," of reaching a broad trade agreement in time for the Bonn Summit, Mr. Robert Strauss, U.S. Special Trade Representative, said today.

At a White House Press briefing this morning, he said that a substantial disagreement over the question of access to foreign markets for U.S. agricultural products.

Mr. Strauss emphasised that considerable progress had been made over the last few days on a wide variety of the outstanding issues, agriculture excepted.

But he doubted that the negotiating mandate possessed by Mr. Wilhelms-Haferkamp, the EEC vice-president, was large enough to enable the Community to meet the "bottom line" America demands on agricultural access.

He added that the same was true of Japan and might well be so in his own case as well.

The EEC, he said, needed to make more "political decisions," which may be seen as a clear hint in advance of the European Heads of State meeting in Bonn starting tomorrow.

The original goal had been to have at least the broad outlines of a new trade agreement ready for the Bonn Summit, thereby giving weight to its deliberations.

The time limit would then be hammered out over the rest of the year before presentation to national legislatures early in 1979.

Mr. Strauss still thought this latter timetable was feasible even if conclusion of a general agreement on agriculture had to wait until after the European summer break in August.

He listed a number of agricultural items—citrus fruits, beef, poultry, table grapes, tobacco, almonds, rice and specialty food—that were still outstanding. He also supplied that the U.S. still far from satisfied with the European position over subsidies to agricultural exports.

He warned that the U.S. Congress would never ratify a trade separate treatment.

President Carter would never present it to Congress for a formal approval. The question of agricultural access were not satisfactorily resolved.

Mr. Strauss's own departure for Geneva for the climatic round of talks has also been postponed. He was due to leave Washington in the middle of the week but may not now go until the weekend, he said.

He was at pains to stress that perhaps 85 per cent of a new international trade regime had already been essentially agreed on. He fore-saw no major difficulties in reaching final agreement on such issues as customs valuations, government procurement policies, standards, tariff reductions and even on the

question of "tariffication" of non-tariff barriers. He also said that the U.S. had already made a number of concessions in the last week by textile and steel management and unions that their industries be exempted from the trade talks and given

separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

He warned that the U.S. Congress would never ratify a trade separate treatment.

UK supplies credits in foreign currencies

MR. EDWARD DILL, British Secretary of State for Trade, announced yesterday that the Government's foreign currency scheme has been extended to include the sale of foreign currency credits to the public.

The scheme will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

The new facility will be available for foreign currency credits to the public. The new facility will be available for foreign currency credits to the public.

Beirut fighting goes into fifth day

By Ihsan Hijazi

BEIRUT, July 5.

THE LEBANESE crisis is taking on larger and more dangerous dimensions as heavy fighting between Syrian troops and Arab peace-keeping force and Christian militiamen here went into its fifth day. None of the five ceasefires declared so far has lasted more than a few hours.

The number of casualties since the clashes began on Saturday is now put at over 150 killed and more than 500 wounded.

The Christian quarters of the capital are now a shambles with millions of pounds worth of damage done to property. These areas were hammered by Syrian artillery and rockets at the rate of 10 shells a minute.

The Christians have fired back and many of their shells have fallen on the predominantly Moslem west Beirut. As many as 17 people were killed by these shells.

While the Christian militias were reported to have capitalised on the brief lull in the fighting early yesterday to set up new guns on rooftops, the Syrians have brought their heavy weapons into large convoys into Beirut from Sidon.

The main guerrilla group, Fatah, took a decision yesterday not to get involved in the new fighting here. The position was adopted at a meeting in Damascus last night by Fatah's Executive Council under its leader Mr. Yassir Arafat.

Cairo insists that settlements must go

CAIRO, July 5.

THE FULL TEXT of the peace plan proposed by the Egyptian Foreign Ministry in English today under the heading "proposals relative to withdrawal from the West Bank and Gaza and security arrangements."

1—The establishment of a just and lasting peace in the Middle East necessitates a just solution of the Palestinian question in all its aspects on the basis of the legitimate rights of the Palestinian people and taking into consideration the legitimate security concerns of all parties.

2—In order to ensure a peaceful and orderly transfer of authority there shall be a transitional period not exceeding five years at the end of which the Palestinian people will be able to determine their own future.

3—Talks shall take place between Egypt, Jordan, Israel, and representatives of the Palestinian people with participation of the UN with a view to agreeing upon:

A—Details of the transitional regime.

B—Timetable for the Israeli withdrawal.

C—Mutual security arrangements for all the parties concerned during and following the transitional period.

D—Modalities for the implementation of relevant UN resolutions on Palestinian refugees.

E—Other issues considered appropriate by all parties.

4—Israel shall withdraw from the West Bank (including Jerusalem) and the Gaza Strip, occupied since June 1967. The Israeli withdrawal applies to the settlements established in the occupied territories.

5—The Israeli Military Government in the West Bank and the Gaza Strip shall be abolished at the outset of the transitional period. Supervision over the administration of the West Bank shall become the responsibility of Jordan and supervision over the administration of the Gaza Strip shall become the responsibility of Egypt. Jordan and Egypt shall carry out their responsibility in co-operation with freely elected representatives of the Palestinian people who shall exercise direct authority over the administration of the West Bank and Gaza.

6—Egypt and Jordan shall guarantee that the security arrangements to be agreed upon will continue to be respected in the West Bank and Gaza.

7—The UN shall supervise and facilitate the Israeli withdrawal and the restoration of Arab authority.

8—Egypt and Jordan shall guarantee that the security arrangements to be agreed upon will continue to be respected in the West Bank and Gaza.

9—The UN shall supervise and facilitate the Israeli withdrawal and the restoration of Arab authority.

10—The UN shall supervise and facilitate the Israeli withdrawal and the restoration of Arab authority.

11—The UN shall supervise and facilitate the Israeli withdrawal and the restoration of Arab authority.

12—The UN shall supervise and facilitate the Israeli withdrawal and the restoration of Arab authority.

13—The UN shall supervise and facilitate the Israeli withdrawal and the restoration of Arab authority.

14—The UN shall supervise and facilitate the Israeli withdrawal and the restoration of Arab authority.

15—The UN shall supervise and facilitate the Israeli withdrawal and the restoration of Arab authority.

Saudi alert report denied

RIYADH, July 5.

SAUDI ARABIA today denied a report in the Kuwaiti daily al-Siyassah that it has placed its armed forces on alert close to the borders following recent developments in north and south Yemen.

The spokesman said the report, published by the daily newspaper al-Siyassah, was without any foundation.

Reuter

Reuter

Reuter

Reuter

Reuter

Reuter

Reuter

Reuter

Reuter

Reuter

Reuter

Reuter

Reuter

Reuter

Reuter

Reuter

Reuter

New Pakistan cabinet named

By Simon Henderson

ISLAMABAD, July 5.

Pakistan's military ruler today appointed a new cabinet including politicians to replace a council of advisers with which he has been ruling since January.

Like the previous cabinet, the new one includes generals, businessmen and technocrats. The politicians all come from the small right wing Muslim League Party which was previously closely associated with an earlier military ruler, President Ayub Khan in the 1960s.

General Zia had said he was going to appoint a cabinet after three months of talks with political parties failed to establish a national administration. The inclusion of the Muslim League took many people by surprise.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

For example, Peking has organised 144 district machinery plants into nine general plants according to lines of production and has put them under the leadership of the Municipal Machinery Department.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

China experimented with this system in the early 1960s when it was attacked as revisionist in the cultural revolution. The then Head of State, Liu Shao-chi, was severely blamed for favouring it although it is alleged today that he was one of those who tried to sabotage it.

Soviet, W. German trade revives

BY DAVID SATTER

MOSCOW, July 5.

THE VALUE of Soviet-West German trade rose during the first quarter of this year, according to a report by the Soviet Union's foreign trade ministry.

The overall volume of trade increased 20 per cent reaching a value of DM 2,555m with West German exports of DM 1,250m and imports of DM 1,305m.

At the same time, West German purchases of Soviet goods, predominantly oil, petrol, and chemical products, increased 44 per cent to a value of DM 1,305m.

West German commercial sources believe the significant rise in West German exports and the major expansion of Soviet exports, which is in part due to trade so far this year, is also due to a number of factors.

Under long-term compensation agreements, which characterise trade for the rest of the year, Soviet-West German trade declined 1.4 per cent last year to a value of DM 1,095m.

The need to import machinery to realise industrial output targets of the Soviet economy has been the halfway point of the

rise in West German exports and the major expansion of Soviet exports, which is in part due to trade so far this year, is also due to a number of factors.

Under long-term compensation agreements, which characterise trade for the rest of the year, Soviet-West German trade declined 1.4 per cent last year to a value of DM 1,095m.

The need to import machinery to realise industrial output targets of the Soviet economy has been the halfway point of the

rise in West German exports and the major expansion of Soviet exports, which is in part due to trade so far this year, is also due to a number of factors.

Under long-term compensation agreements, which characterise trade for the rest of the year, Soviet-West German trade declined 1.4 per cent last year to a value of DM 1,095m.

The need to import machinery to realise industrial output targets of the Soviet economy has been the halfway point of the

rise in West German exports and the major expansion of Soviet exports, which is in part due to trade so far this year, is also due to a number of factors.

Under long-term compensation agreements, which characterise trade for the rest of the year, Soviet-West German trade declined 1.4 per cent last year to a value of DM 1,095m.

The need to import machinery to realise industrial output targets of the Soviet economy has been the halfway point of the

rise in West German exports and the major expansion of Soviet exports, which is in part due to trade so far this year, is also due to a number of factors.

Under long-term compensation agreements, which characterise trade for the rest of the year, Soviet-West German trade declined 1.4 per cent last year to a value of DM 1,095m.

The need to import machinery to realise industrial output targets of the Soviet economy has been the halfway point of the

rise in West German exports and the major expansion of Soviet exports, which is in part due to trade so far this

BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

Sole Agent for the Building trade, Hardware -and Allied Branches.

Expanderet Screw Anchors A/S are looking for a firm, well-established in the above-mentioned branches, to undertake distribution of the internationally recognized Expanderet wall plugs made by us for fixing in brick walls, concrete etc., and also Expanderet Rosett for fixing in sheet walls.

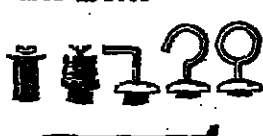
Our agent must himself be in a position to take responsibility for the marketing on the British market, and, having the necessary storage capacity, to purchase his own stock.

We are a 20-year old Danish firm and are represented in more than 50 countries, but we lack representation in Great Britain.

Please apply to:
Expanderet Screw Anchors A/S
Mårn 3230 Græsted, Tel. 03-29 61 00



"Wall plug for fixing all types of woodscrews in brick, stone, concrete etc. and related materials"



"Expanderet Rosett which means fast fixing in hollow wall, partitions like plaster, boards, Masonite, Gypsum etc."

Diversify into profits

Small company having spent £250,000 on developing an inventive plastic product of genuine world interest now finds itself short of funds to manufacture and market the product, despite the fact that massive orders are in the pipeline from Europe, Africa and Asia.

The management team is prepared to continue and to maintain a minority equity interest if a large company can now take over the financing strain. It is well within sight to produce profits in excess of £1m. within the next two years and it is an ongoing situation in that demand will continue to grow almost indefinitely for this world patented product. We will discuss any genuine proposals from principals.

The Chairman,
Commercial & Financial Investments Ltd.,
81, Stonegate Road, Leeds 6, Yorkshire.

We've formed more companies than any other company

So next time you need one, phone Patricia Parry on 01-253 3030

Jordan's
the best of companies
JORDAN'S INVESTMENT SERVICES
10, CANNON STREET, LONDON EC4A 3DF
TELEPHONE: 01-583 3030

NORTH SEA

Established off-shore service company with proprietary products in sub-sea services, seeks British partners/investors for expansion and new projects. Investment around £200,000 envisaged. Write Box G.2232, Financial Times, 10, Cannon Street, EC4A 4BY.

REQUIRED

ADDITIONAL BANK FACILITIES
Medium-sized company trading internationally in building materials, fertilisers, foodgrains. 1977 turnover US \$35m. Half year 1978 US \$25m. Write Box G.2168, Financial Times, 10, Cannon Street, EC4A 4BY.

Fully Recognised Advertising Agency
with sound track record, good management and financial resources, seeks to acquire other Advertising Agencies and Consultants in order to expand its operations and develop new areas of business. Location is not important. We are willing to consider all proposals from principals wanting seriously to discuss possible acquisition. Please write in confidence to ourselves in the first instance. Particulars of the business, its history, its assets and liabilities can be seen working. Please telephone David J. Head, TEXAS INSTRUMENTS LTD., Bedford 47446, ext. 2250.

LIMITED COMPANIES FORMED BY EXPERTS FOR £75 INCLUSIVE
READY MADE £83
COMPANY SEARCHES
EXPRESS CO. REGISTRATIONS LTD.
30, City Road, EC1.
01-438 3434/57367, 9936.

RAPIDLY EXPANDING SUBSIDIARY
of large multi-national group engaged in factoring protective clothing and equipment to industry at large and sundry equipment to foundries, seeks to expand in range of products. Would consider acquisition, distribution or agency. Write Box G.2207, Financial Times, 10, Cannon Street, EC4A 4BY.

We are looking for FINANCIAL PARTNERS
For a first-class building programme on the French Riviera. Write to:
FRANCIS, 1, rue Ceard Geneva, Switzerland

BUSINESS OPPORTUNITY
A New High Import-Export Firm seeks successful British Contractors for export of British goods to the USA. Write to: The Advertiser, P.O. Box 3000, Ontario, Canada.

OFFERS INVITED FOR ITT PABX 4 SWITCHBOARD SYSTEM
COMPRISING—
600 EXTENSIONS
54 EXCHANGE LINES
5 AC 13 TIE LINES
3 DC P.W. LINES
3 MANUAL CONSOLES
M.D.F. AND BATTERIES
Commissioned in 1978 and in good order. Can be seen working. Please telephone David J. Head, TEXAS INSTRUMENTS LTD., Bedford 47446, ext. 2250.

IBM ELECTRIC TYPEWRITERS
Factory reconditioned and guaranteed by IBM. Buy, save up to 40 p.c. Lease 3 years from £3.70 weekly. Rent from £29 per month. Phone: 01-441 2365

WELL-ESTABLISHED MANUFACTURERS OF OFFICE FILES AND PAPER STOCKISTS
Turnover £500,000 p.a. West London based. Seek partnership, amalgamation, acquisition, secretarial services, general agency work, stock and commercial placements. Full details from: G. Brown, BROWN BROTHERS LIMITED, Victoria House, 10, Cannon Street, EC4A 4BY. Tel. 0624 25661, Telex 62641.

MOTOR SPARES EXPORT
Cars — Commercial — Agricultural SHIPPED WORLDWIDE
Quotations given on request. **CONTINENTAL (OVERSEAS) LIMITED**
27A Cornhill Hill, Kidderminster Worcestershire DT10 1QN
Telephone (0522) 44677 and 47766 Telex 339034 Cantic G

ISLE OF MAN OFFSHORE TAX SAFEHOLD
Grass tax opportunities in a low tax area. We specialise in the formation of companies (including investment, secretarial services, general agency work, stock and commercial placements). Full details from: G. Brown, BROWN BROTHERS LIMITED, Victoria House, 10, Cannon Street, EC4A 4BY. Tel. 0624 25661, Telex 62641.

FINANCE FOR THE SMALLER COMPANY

For further information contact:
K. Dean,
ARBUTHNOT FACTORS LTD.,
Breeds Place, Hastings,
E. Sussex.
Tel: 0424-430824

SAUDI ARABIA

U.K.-based trading subsidiary with professional background soon to have resident representative in Jeddah to support active local entrepreneurial agent offers to represent interested contracting and commercial firms in return for shared establishment costs. Write Box G.2223, Financial Times, 10, Cannon Street, EC4A 4BY.



Our business is merging your business. Successfully.

36 CHESHAM PLACE, LONDON SW1. 01-235 4551

FOR INVESTMENT OR OCCUPATION

Prestige period office building of 4,500 sq. ft. approx.

IN THE HEART OF LONDON'S MAYFAIR

All amenities + 4,000 sq. ft. of Self Contained Executive Apartments

Long lease for sale at £1.00 p.a. Ground rent fixed

Principals or retained surveyors with named clients only: to Box No. G.2218
Financial Times
10 Cannon Street, London EC4A 4BY

FLOATIE SWIM AIDS

We seek sole Importer/Distributor for the United Kingdom to market a range of swimming aids through departmental and chain stores, supermarkets and sporting goods and toy wholesalers and retailers.

Floatie Swim Aids developed, tested and proven are made to highest quality standards and are unconditionally guaranteed.

Please direct your enquiry providing full details to: The Managing Director, Styrox (Aust) Pty Ltd., Villiers Place, Dee Why West 2099, New South Wales, Australia. Telex: AA 21084/STYROX Answer Back—VAMCO

FOR SALE BY TENDER

UNIQUE OPPORTUNITY TO ACQUIRE THIS FREEHOLD HOTEL INVESTMENT AND LEISURE CENTRE COMPLEX
In prime position of Bournemouth as a whole (vacant possession).
1) Linden Hall Hotel, Christchurch (as investment, let at £12,500 per annum; 5 yrs. remain on full repairing and insuring lease).
2) Linden Sports Club, Kneale Road, comprising bars, restaurant, swimming pool, gymnasium, squash court, etc. (vacant possession).
3) Forecourt petrol filling station, garage and workshops, Keynecore Road (vacant possession).
4) Staff houses and flats (vacant possession).
Ideal as leisure centre and/or potential redevelopment.
Closing date for tenders, 12 noon Thursday, 20th July, 1978. Sale Agents: Hotel Department, GOADSBY & HARDING Borough Chambers, Fir Vale Road Bournemouth Tel. 0202 23491

STOCKBROKERS

We are acting on behalf of an old-established medium-sized London firm which has several vacancies for Partners or Associated Members, or a small firm, due to the acquisition of a little additional space. Our client will consider either Partnership or a Commission-sharing basis. Single Members, or Associates, a small group, or firm, with a good quality clientele (private clients or institutional) should send us a letter for forwarding in serious confidence to our clients. Please state any firm on which the letter should be sent. Write to: Neville Jones, Messrs. Arncliffe & Norton, Hatfield House, 28, Southampton Buildings, Chancery Lane, London, W.C.2.

CREDIT AID LTD.

By reducing debtor days we increase your cash flow thereby improving your working capital. **THUS INCREASING YOUR PROFIT**
Contact in strictest confidence A. B. Badenoch, A.C.A. Credit Aid Ltd., 4, New Bridge Street, E.C.4. 01-353 7722

EXPANDING NORTH-WEST PROPERTY DEVELOPMENT GROUP

would be interested in acquiring a number of small private companies engaged in or associated with residential development. North or Midlands area preferred. Principals only. Write Box G.2219, Financial Times, 10, Cannon Street, EC4A 4BY.

MANUFACTURING CO. SURREY AREA

REQUIRES ADDITIONAL CAPACITY FOR EXPANSION
At present sub-contracting £100,000 of production per annum. Survey, design, tooling, production, and sales of capacity available, e.g. Write Box G.2121, Financial Times, 10, Cannon Street, EC4A 4BY.

PARTICIPATION AND INVESTMENT

Successful M.D. to late 1970s seeks active participation with £100,000 investment in existing business or new venture. Extensive experience of financial, marketing, property and leisure fields. Write Box G.2208, Financial Times, 10, Cannon Street, EC4A 4BY.

DESPITE THE RECENT RECESSION

In certain sections of the shipping industry, there is a real opportunity for investment opportunities. Old established shipping company can offer one or two investment projects, complete with management of well managed vessels on worldwide basis with same care and thought as entrusted to their principals. Write Box G.1275, Financial Times, 10, Cannon Street, EC4A 4BY.

EXCLUSIVE REPRESENTATIVE FOR SEVERAL FOREIGN BANKS SEEKING QUALIFIED BUSINESS BORROWERS

Brokers protected. Local representatives wanted. Write Swiss-American Combine, P.O. Box 680 Panama 1, Panama.

Up to £1,500,000 available

Successful family with substantial funds now seek to back dynamic entrepreneurs who can offer business opportunities in profitable expanding companies. Write with details to Box No. G.2197, Financial Times, 10 Cannon Street, EC4A 4BY.

BUSINESSES

FOR SALE

BOOK RETAILER AS A GOING CONCERN EAST ANGLIA

WELL ESTABLISHED THREE BRANCHES
T/O £10,000 P.A. APPROX. SCHOOL SUPPLIES
VALUABLE LEASES FITTINGS ETC. S.A.V.
Write Box G.2221, Financial Times, 10, Cannon Street, EC4A 4BY.

BUSINESS FOR SALE IN WEST GERMANY

U.S. company engaged in the manufacturing and distribution of office supply products with world-wide brand names is interested in selling its German Subsidiary. Excellent production facilities. Contact Box F.1032, Financial Times, 10, Cannon Street, EC4A 4BY.

WAREHOUSE AND DISTRIBUTION COMPANY

serving the larger retail outlets in North and Central Scotland. Spacious warehouse on lease and modern vehicles. Opportunities to take over an organisation with expanding prospects for a modest outlay. Reply in confidence to Box G.2214, Financial Times, 10, Cannon Street, EC4A 4BY.

SMALL DEPARTMENTAL STORE

Sales exceed £100,000. Market Town, Kent, within 25 miles of London. Lease would be granted or Freehold is available. Personally inspected and considered with younger management sales could be considerably increased. Vendors would consider disposal outside the trade, such as Building Society, etc. Details in principals only. WM. HOUGHTON & SONS LTD., London W1M 0HD, Tel: 01-580 5931.

RACE HORSE STUD FOR SALE

14 mls. from Lambourn, 45 mins. Heathrow. 153 Acres. Has been operating for 2 years. Still in need of development. Further details telephone: Nigel C. Wright, Lambourn (0488) 71042.

SMALL JOINERY MANUFACTURING BUSINESS

situated in rural mid-Wales. Well established and thriving. Can be taken over at a going concern. Spacious workshop and good machines, etc. Pleasant house and gardens. Further particulars write Box G.2215, Financial Times, 10, Cannon Street, EC4A 4BY.

PRIVATE COMPANIES

Pre-tax profits around £500,000

Are you a substantial shareholder in such a company? Have you thought about

- ☐ how best to ensure the future prosperity of your company and its shareholders and employees
- ☐ how to enable existing shareholders to unlock some or all of their shareholdings in order to diversify their investments and perhaps reduce future tax problems
- ☐ the possibility of joining forces with a successful public company which specialises in helping companies to grow profitably without swallowing them up into a large bureaucracy.

If you would like to discuss the above possibilities, or any other ideas you may have about the future of your business, you are welcome to contact Hamish Mackenzie at Crest Nicholson Ltd., Crest House, Church Road, Ashford, Middlesex TW15 2NH.

Crest Nicholson is the quoted parent company of a Group (turnover c £30m) with varied interests, including such well known names as Camper & Nicholson, En-tout-cas, and Crest Homes. All our businesses retain a high degree of autonomy in their management. We believe strongly in encouraging them to achieve profitable and controlled growth.

EXPORT AID

Are you already exporting to Europe but feel that your products are not getting the exposure and distribution they deserve?

Are you not exporting but feel that your products would sell well given the right amount of opportunities and sales effort? Would you like to export but lack the organisation and physical resources of an export department?

If your answer is yes to any of these questions then we can help. IEM has the organisation—14 overseas offices, all with highly qualified staff—and direct connection with the principal buyers of major retail outlets such as Departmental Stores, Supermarkets, etc. We are already helping many client companies to market their products in the following categories: FOOD, CONFECTIONERY, WINES, SPIRITS, TEXTILES, CERAMICS, PACKAGING, SPORTSWEAR, FURNITURE, BABY AND CHILDREN'S WEAR, PLASTICS, AND OTHERS. Perhaps you would also qualify for one of the Government schemes available which offer financial assistance to serious exporters.

For additional information write or telephone:

I. J. Export Marketing,
Royal London House,
16 Finsbury Square,
London EC2 1BR.
Tel: 01-438 8756/7
Telex: 885575

"SNAP - STIX"

SNAP-STIX—a range of self-adhesive letters, numbers, signs of various types, combined into and presented as a complete sign making system suitable for a large variety of exterior and interior applications. Established in Australia, U.S.A., Canada, Far East and Middle East. Range attractively presented and competitively priced and sold through DIY centres, hardware, stationery and departmental stores.

We seek financial and energetic sole Importer/Distributor for U.K. with well established connections.

Please direct your enquiry providing full details to: The Managing Director, Styrox (Aust) Pty Ltd., Villiers Place, Dee Why West 2099, New South Wales, Australia. Telex AA 21084/STYROX. Answer Back—VAMCO.

WANTED

A Speculative House-builder is required for Purchase in the Midlands

A small to medium sized business (turnover of a minimum of 100 Units per annum) is the ideal with a Land Bank for some two to three years.

Replies should be addressed to the Principal, Box G.2134, Financial Times, 10, Cannon Street, EC4A 4BY.

BUILDING COMPANY

A speculative house-builder is required for purchase in Kent.

A small to medium sized business (turnover of a minimum of 100 Units per annum) is the ideal with a Land Bank for some two to three years.

Replies should be addressed to the Principal, Box G.2135, Financial Times, 10, Cannon Street, EC4A 4BY.

PURCHASE OF CONSUMER FINANCE COMPANIES

An International Consumer Finance Company, now established in the U.K., wishes to expand its interests by acquiring companies with H.P. Credit Sale, Personal Loan or Mortgage Paper.

Under certain circumstances, part purchase—or the purchase of receivables only—will be considered.

Please reply to Box G.2216, Financial Times, 10, Cannon Street, EC4A 4BY.

ICE PLANT REQUIRED

Flake or lump ice making plant capable of producing up to 30 ton per day required. Could be in one unit or several smaller units. Second hand plant in good condition considered. Please reply to Box G.2217, Financial Times, 10, Cannon Street, EC4A 4BY.

HOTELS AND LICENSED PREMISES

Channel Islands DELIGHTFUL COUNTRY HOTEL

Offering peace, quiet and relaxation. Ideally situated adjacent to: Golf course, safe uncrowded beaches and magnificent bays. The perfect spot for Spring or Summer holidays. Registered for 33 plus children. Owners' integral ground floor accommodation. Games Room, Owners' integral ground floor accommodation. One-acre site. Excellent potential. £105,000 as a going concern. Enquiries to Sole Agents: Beck & Deane (Estate Agents) Ltd., 1, Waterloo St., St. Helier, Jersey. Telephone: 0534-72366.

WE WISH TO PURCHASE A COMPANY

preferably in a service industry, earning pre-tax profits of at least £250,000 a year. Replies please to Mount Securities Limited, 19, Bolton Street, London W1Y 8HS, with 5 years balance sheets. Strict confidence assured.

BETTING AND LEISURE FIELDS

A large Betting Shop and Amusement Group is anxious to expand further into similar and allied fields. Consideration given to Food, Camping, Wines and Spirits. Minimum net profit required £60,000 per annum with strong management. Please reply to Box G.2205, Financial Times, 10, Cannon Street, EC4A 4BY.

INTERESTING INVESTMENT OPPORTUNITY IN CANARY ISLANDS

Apartment house containing 140 apartments for sale in dense tourist area. 12% return guaranteed by major European bank.

Please reply to NIMBUS S.A. Apartado 177 Mapaganzas de Gran Canaria, Spain

ESTABLISHED CHALET PARK REQUIRED For Investment

Advertiser prepared to agree terms now for completion in autumn. Full details to Box G.2200, Financial Times, 10, Cannon Street, EC4A 4BY.

HOME NEWS

Ford car dealers achieve highest turnover

By Terry Dodsworth, Motor Industry Correspondent

FORD car dealers achieved a far higher turnover of vehicles at each individual outlet than any other sales network in the UK last year.

According to a survey by the Saville research organisation, Ford had 202 sales per outlet last year against 234 by Datsun, the top importer, and 221 by Vauxhall. BL Cars came seventh in the table with 143 sales per dealer, behind four other importers: Renault, Datsun, Fiat, Renault and Volkswagen.

The survey detects a relationship between the rising number of imported car sales and the expansion of the importers' dealer networks. By January 1, when importers' sales had risen close to the 50 per cent mark, dealers handling imported marques had grown to 48 per cent compared with 42 per cent only two years before.

A significant number of these dealers have switched from BL, the former British Leyland, which has been rationalising its network. BL has reduced its outlets in the past two years by 693 sites, compared with an overall reduction by the UK car companies of 943 dealerships.

BL Cars now has 2,250 outlets, but sales through each of these units have gone up only modestly from 117 to 143 a year.

More dealers

In contrast, Ford has increased both its number of outlets and sales per outlet. Its network has gone up from 1,203 in 1976 to 1,260, while cars sold through each of these dealers have increased from 292 four years ago to 302 last year.

On the commercial vehicle side Leyland Vehicles, the BL subsidiary, has also reduced its representation.

By contrast, the importers, which expanded their sales from 15 to 22 per cent of the market in the last year, have increased their networks significantly. Fiat's is up by 32 per cent compared with 1976. Magirus Deutz by 8 per cent. Mercedes-Benz by 18 per cent, and Scania by 14 per cent.

In petrol outlets there has been a 22 per cent reduction in the last seven years, with numbers dropping from 37,501 in 1970 to 28,347 in 1977.

● BL Cars has failed so far to pull out of the sales slump which followed its successful Supermarket campaign in March. According to unofficial figures it took only a little under 18 per cent of the UK market last month, compared with 16.8 per cent in April and 22 per cent in May.

Ford once again captured the market leader position with almost 30 per cent of sales.

Co-op to spend £11m on Scottish base

By John Lloyd

THE Co-operative Wholesale Society is to invest £11m over the next three years in building up its manufacturing base in Scotland.

The society plans to rebuild its 25-acre Shildhall industrial complex near Glasgow. Central to the development will be a new soft drinks factory with an annual output worth about £5m serving Scotland and the north of England.

The complex will contain plants for the manufacture of upholstery, industrial clothing, stationery and packaging materials.

The development will be accompanied by a rationalisation of labour and production. A

Princess marks end of £32m Cammell Laird modernisation

By Ian Hargreaves, Shipping Correspondent

PRINCESS ANNE opened a ship construction hall at Cammell Laird Shipbuilders yesterday and officially marked the end of a six-year modernisation programme that has cost £32m.

The Birkenhead yard has been transformed into one of the most modern in the country. But the change comes when market conditions are so bad that the yard has no merchant vessels to construct in its new, twin-bay "ship factory."

A partial stop-gap is Cammell Laird's involvement with the Navy as a builder of Type 42 destroyers. It was a vessel of that class, the Liverpool, whose keel Princess Anne laid in the hall.

Mr. Tony Smith, the company's managing director, emphasised that in spite of the world shipbuilding crisis, Cammell Laird has the opportunity to shed its reputation for industrial disruption and unreliable delivery.

Certainly memories of the six years of reconstruction will not be cherished in Birkenhead. The civil engineering work is two

years late, mainly because of a change in contractor early in the project, which led to building worker pickets shutting down the yard and disrupting shipbuilding.

That, with the yard's poor industrial relations record, has meant that since 1972 Cammell Laird has not delivered a ship on time.

Prospering

It has also been a period of heavy losses for the yard, with one important contract cancelled in mid-1976 and further penalties accruing from delivering late during rapid inflation.

Cammell Laird remains one of British Shipbuilders' oldest financial headaches and contributed significantly to the £35m loss the nationalised concern is unofficially estimated to have made in its first nine months' trading.

The yard's facilities, however, are now as good as any in Britain and Mr. Smith believes that, given a continuation of the substantial improvement in labour relations in the past nine months, Cammell Laird is capable of prospering.

The 145 metres by 107 metres construction hall has space for building two medium-sized vessels side by side and is designed with the company's standard designs of product: tankers and fast freighters in mind.

Modernisation has involved extensive re-tooling and reconstruction in other departments.

But unless more work can be found quickly, redundancies among the 5,100 workforce will become inevitable this year. The yard is nearing the end of multi-ship orders for King Line and the Vlasov Group, as well as the Type 42 series.

There have been a few redundancies this year, and alongside Cammell Laird, the privately owned Western Ship-repairers is closing down with the loss of 500 jobs.

Insulation 'must be improved'

By Michael Cassell, Building Correspondent

AN EARLY improvement in insulation standards for Britain's housing is called for in a report published yesterday by Eurisol-UK, the Association of British Manufacturers of Mineral Insulating Fibres.

Better insulation in new houses will lead to "massive" energy savings and should be considered as a "fifth indigenous fuel" after coal, gas, electricity and oil, says the report.

Ford once again captured the market leader position with almost 30 per cent of sales.

Steps should be taken immediately to raise insulation standards as far as possible to those that would be required by 2000.

The architectural profession and the construction industry would require time to adapt to the proposed changes, but notice should be given now that in seven years new insulation standards would be introduced.

In this way, there would be sufficient time to allow all disciplines within the construction sector to plan positively for the date on which raised standards become the statutory minimum.

Insulation standards for new domestic dwellings were last reviewed in 1975. The report proposes that the nation move from 270m. a year.

Housing now accounted for 25 per cent of net energy consumption in the UK, with over 60 per cent of this proportion going on space heating alone.

Thermal insulation of New Housing—1 case for Higher Standards—Eurisol-UK, 64, Wilton Road, London, SW1V 1DE.

Scotland's lack of jobs 'could lead to violence'

By John Lloyd

A WARNING that civil violence would result unless something was done quickly to tackle the "massive and structural unemployment" in Scotland was issued yesterday by Mr. Alan Dewar, president of the Scottish Council of the Confederation of British Industry.

Mr. Dewar, speaking in Glasgow after receiving the Scottish "Free Enterprise Award" from Angus, the free enterprise organisation, said that unemployment in Scotland was running at 157,000. This was 7.8 per cent of the workforce—30 per cent higher than the average UK unemployment rate.

"Scripping away the cosmetics of temporary employment subsidy (30,000), job creation programmes (12,000), the youth opportunities programme and the small firms employment subsidy (6,000), the real number of commercially unemployed rises to 244,000—more than one in ten Scots—and there is worse to come."

The shorter working week proposed as an antidote was "naïve rubbish." A 35-hour week would increase labour costs by 81 per cent. Cutting the 40-hour week by two hours would increase labour costs by 3 per cent and reduce UK employment by more than 88,000 jobs.

"More competitiveness, on the other hand, could drastically uplift our fortunes. A one per cent increase in our share of world export markets would create 400,000 jobs in the UK and about 60,000 in Scotland alone."

Initiatives

A number of initiatives should be taken:

1—The Government must not remove incentives such as the regional employment premium nor should it increase rating valuations or national health insurance surcharges.

2—There should be higher incentives for skilled workers.

3—Inflation should be controlled through tight monetary restraint. The next round of wage settlements should be lower than the last.

4—Management must reduce manning levels and set productivity up.

"I believe that the trade unions are prepared to be partners in this exercise but time is running out," he said.

"In our greed and folly we have set in motion a chain of events of monetary collapse and we may well have created conditions of massive and structural unemployment which unless we act quickly could end in civil violence."

● The Glasgow Chamber of Commerce said yesterday that it would set up a committee to monitor the incidence of absenteeism among its member companies after a number of complaints.

British Rail world high-speed trains runner-up

By Lynton McLain, Industrial Staff

BRITISH RAIL has been placed second in a world league of high speed train operators published today in the latest edition of Jane's World Railways.

But there is a warning that if the Government failed to pay for large-scale electrification now, by the year 2000 Britain might be unable to afford to run its railways.

Mr. Paul Goldsack, editor, puts British Rail behind Japan and its Shinkansen bullet train. This covers the 108 miles between Nagoya and Sazuka in 59 minutes at an average speed of 103.7 miles an hour.

British Rail has four trains which cover the 41 miles from Swindon to Reading in 24 minutes at 103.2 miles an hour.

Plan to help companies fight drink problems

FINANCIAL TIMES REPORTER

MARKETING started yesterday Education Centre and the Scottish Health Education Unit, and costs £20. The film alone can be rented for £20.

Mr. Marcus Grant, director of the Centre, said yesterday: "Around half a million people in the UK have a serious drink problem, and the weekly cost to the Government is £10m. Yet the industry may be able to do much to help."

Report seeks strategic role for Greater London Council

By David Churchill

THE Greater London Council should develop its role as a strategic authority setting broad objectives and policies for the capital, and achieving them through the overall control of resources. This was the main conclusion of an inquiry on Greater London carried out by Sir Frank Marshall, a former leader of Leeds City Council, at the request of the Conservative-controlled GLC.

The inquiry's report, published yesterday, recommends that the GLC should take over certain functions from Whitehall, while at the same time handing some of its day-to-day tasks to the town halls. It stresses the need for the GLC and the London boroughs to work together in partnership instead of in an atmosphere of wasteful rivalry and competition.

Sir Frank refers to the "general feeling of discontent" about the way the GLC functions. "Lack of confidence in the GLC" can be traced to its own sense of uncertainty about its proper role—it seems to have lost direction, so the argument goes," he says.

Difficulties

"I have interpreted my task as being to establish or re-establish that sense of direction."

The report also points to the present relationship between the GLC and London Boroughs as a cause of the capital's difficulties. There were strong boroughs, each acting in its own interests and reluctant to subscribe to a London-wide view.

London was no longer booming, but in fear of decline. "The GLC, having secured for a role, has assumed that of strategic authority without the approval of the boroughs and for the most part without the powers to implement it."

Consequently, there should be a new framework for London to improve public services for its population.

Planning: Responsibilities for planning in London should be clarified and streamlined. The GLC's concern should be with broad matters of strategic importance.

At present, companies were inhibited by fear of long and costly litigation from formulating agreements, even those which appeared to be in line with the industrial strategy's objectives.

In its report Nedo calls for a clarification of the "gateways" in the restrictive practice legislation which allows certain closely-linked types of co-operative agreements to be certified by the Secretary of State as being in the national interest, to be exempted from the normal legal procedure.

At present, companies were inhibited by fear of long and costly litigation from formulating agreements, even those which appeared to be in line with the industrial strategy's objectives.

Small businesses

A degree of closer co-operative action between competitors might, for example, help some sectors of British industry at a time of recession, by avoiding cut-throat competition and wasteful collapse and permitting efficient use of competition.

Even though it would involve a reduction in arms-length competition, Nedo says there is a case for defining desirable areas of co-operation for small businesses, and allowing such concerns block exemption from the requirements to register such agreements with the Restrictive Practices Commission.

The need for greater co-operation among small businesses was recognised by the Government, as evidenced by the Small Firms Division of the Department of Industry. Its efforts, however, fitted "a little uneasily into a system of scrutiny which may tend to deter such co-operation."

Acts 'let tenant exploit landlord'

By Our Building Correspondent

THE RENT Acts represent licence for the unscrupulous tenant to exploit, extort, harass the defenceless, and claims the Small Landlords Association.

The association called yesterday on the Government to make known the results of its review of the Acts which was promised for the end of last year.

The Landlords say that Acts and uncertainty over its future has resulted in an enormous surplus of properties let with a "frozen" proportion of it in the hands of the wrong type of landlord.

'A licence'

They call for a "fair, uncontrolled policy under which there would be minimum period of notice but no security of tenure for new lets, a plus out of security of ten bestowed on tenants of furnished accommodation by the 1974 Act, and a reversal of the security of tenure for tenants of furnished accommodation."

"Private landlords do not do that a few tenants are exploitation and harassment of the hands of the landlords," said Mr. Grant. "But now the Rent Acts give every tenant a licence for every tenant to exploit his landlord. The result is a significant and unacceptably decline in the supply of private rented accommodation."



SIR FRANK MARSHALL

Plan for a better London

It should have powers both to advertise and to give grant industrial development certificates and office development permits should be abolished. Able and experienced business men should be co-opted on committees for promoting industry.

Housing: The GLC should control the allocation of all capital funds for the provision and improvement of London's housing. It would force the bill and recover the costs through its London wide rate precept. Management would be a borough responsibility, but a single waiting list could be maintained on a GLC computer.

Education: Inner London should continue to have a single education authority, but this should be the sole responsibility of the inner London Boroughs through a statutory joint committee. Fire Brigade: This should continue to be under GLC control.

Social problems

Metropolitan importance: setting clear guidelines within which the boroughs should act, such as local plans and development control. Bringing the whole of Heathrow Airport within the boundaries of Greater London should be considered.

Roads: The GLC should have overall responsibility for London's roads. It should also define the key network which meets Metropolitan needs, while the Boroughs should take full responsibility for all other roads.

Public transport: The GLC should assume oversight of the complete public transport network in London, setting fare policies, approving investment plans and co-ordinating services and associated facilities.

Docklands: The docklands joint committee should be abolished. The GLC would assume the sole planning function for the area, giving it the means to direct the implementation of the Docklands strategy.

Industry and employment: The GLC should take a positive role in promoting industrial development and the creation of jobs.

Editorial Comment, Page 18

Thinking on competition challenged

By Elinor Goodman, Consumer Affairs Correspondent

THE National Economic Development Office delivered an unfashionable counterblast yesterday to the prevailing theory that competition policy should be tightened. It took issue with the harder line on mergers proposed in the Government's Green Paper on competition policy and queried the assumptions on which these proposals were made.

It also suggested that, far from making it more difficult for companies to make agreements among themselves, as favoured by some in the Office of Fair Trading, restrictive legislation should be amended to allow closer co-operation between companies over certain matters.

Its counterblast came in a report on competition policy which highlighted the uneasy relationship between the Government's wish to strengthen the rules on competition and its industrial strategy. The report says that the stance on competition policy occasionally inhibits the kind of co-operative action that the industrial strategy seeks to achieve.

The report puts far more emphasis on the need to enable companies to co-operate among themselves than is favoured by those who regard the greater relative concentration of British industry as one of the reasons for its failure to compete effectively abroad.

Whereas the Government's committee on competition policy was obviously impressed by all the research showing that many

mergers had not fulfilled the objectives laid down at the time of the deal, Nedo queries the need to revise competition policy from every different point of view.

"The increasing awareness of economies of scale of various kinds, the progressive exposure of the UK to international competition, the development of substantial structural unemployment and surplus capacity, and the weaker prospective growth of demand, open the question whether competition policy needs now to be revised."

The report draws attention to what it sees as the "dynamic effects" of mergers. Those companies which merged frequently tended to invest more than those that did not and there were also possibilities for increasing the number of

increasing efficiency through acquisitions. "If the industrial strategy puts weight on investment as a vehicle for expansion and improvement in competitiveness, effects like these are important," the report says.

Given this different perspective, it is not surprising that Nedo takes issue with the harder line on mergers proposed in the Government's Green Paper. It says that the evidence is not strong enough to state that mergers are either commendable or deplorable. Mergers could only be judged on a case-by-case basis as was done under the present procedure. It was difficult to see how the system could be radically improved.

While acknowledging that there is probably some scope for increasing the number of

mergers examined, Nedo argues that the Green Paper goes too far in altering the existing presumptions behind merger policy. The Government's committee claimed that the approach it favoured would reflect a change towards mergers to an essentially neutral one.

But Nedo argues that, what the committee proposed is a move away from the present genuinely neutral position on monopolies to one where there is a prior presumption of conflict with the public interest, but where the companies involved can argue that the benefits of the deal outweigh the presumed detriments.

As a second stage of its review of merger competition policy the Government's committee is now looking at the restrictive practice legislation. Among the things it is considering is how to reconcile the general prohibition on companies colluding with each other and the industrial strategy.

In its report Nedo calls for a clarification of the "gateways" in the restrictive practice legislation which allows certain closely-linked types of co-operative agreements to be certified by the Secretary of State as being in the national interest, to be exempted from the normal legal procedure.

At present, companies were inhibited by fear of long and costly litigation from formulating agreements, even those which appeared to be in line with the industrial strategy's objectives.

For 125 years we've been helping business in Australia and the South West Pacific



...from London.

In 1853, Australia's first bank—the Bank of New South Wales—became the first overseas bank in London.

Today, 125 years later, the Bank of New South Wales is the largest finance, investment and commercial banking complex based in the South West Pacific, and its world-wide representation includes three branches in London.

The first Bank in Australia, the Bank of New South Wales is the one that knows Australia and New Zealand business best.

Bank of New South Wales

Over 1,300 Offices. Australia, New Zealand, New York, San Francisco, Frankfurt, Bahrain, Tokyo, Hong Kong, Singapore, Jakarta, Papua, New Guinea, Fiji, New Hebrides and other Pacific Islands. Three London Branches. Main London Office: 29 Threadneedle Street, EC2R 8SA. Incorporated in Australia with limited liability.

Help yourself...

Gas is clean, controllable, versatile and economical—the ideal domestic fuel.

That's why nearly 14 million customers have chosen gas to heat their homes and cook their meals.

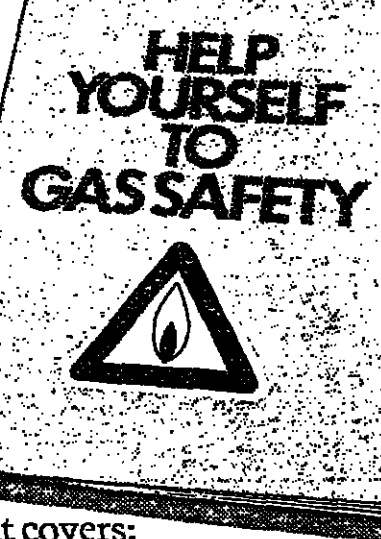
But like all fuels it should be used wisely.

We have a booklet that can help you.

Among many important items it covers:

- What to do if you suspect a gas leak.
- The laws on gas safety.
- How to have your appliances properly installed and regularly serviced.
- Help for the disabled.

So help yourself to gas safety—pick up a free copy at your local gas showroom.



BRITISH GAS

HOME NEWS

Oil exploration rule changed to attract independent concerns

BY RAY DAFTER, ENERGY CORRESPONDENT

THE GOVERNMENT has changed its offshore oil licensing arrangements in a move which could encourage independent exploration companies. Changes in petroleum production regulations announced yesterday by Dr. Dickson Mabon, Minister of State for Energy, include the clarification of rules governing the appointment of operating companies offshore. The Government has emphasised that the operator for the exploration phase on a licence need not necessarily be the same as the operator for the development stage. In essence, the rules may encourage smaller independent companies to bid for new licences, under the sixth round of licensing now being considered by the Government.

The Energy Department may allow these smaller groups to operate during the exploration phase of the new licences on condition that they hand over more experienced companies—possibly British National Oil Corporation—should a field be discovered.

Other innovations include a higher application fee for off-

shore licences—up to £250 to £1,250—and changes in financial details to be furnished by applicants for licences.

The Energy Department is still considering the offshore industry's answer to the draft conditions for the sixth round of licences.

The UK Offshore Operators Association has complained about many new features contained in the Government's recently published consultative document.

While the Energy Department is expected to accept some minor amendments it will probably insist on the oil industry accepting a greater State participation.

In particular, it wants the oil corporation to be operator in a number of the new blocks and to have more than a 51 per cent stake in at least a proportion of the licences. Oil companies may also be asked to pay for at least some of the corporation's exploration expenses.

It is thought that the Government is hoping to announce details of the conditions, together with the location of the offered blocks within the next month, in order to receive a response from the industry later this year.

Air Wales proposes to expand network

BY ROBIN REEVES

AIR WALES, the new Cardiff-based airline, has applied to the Civil Aviation Authority to expand its network by running scheduled services to Edinburgh, Lumberville and Guernsey. The applications cover the introduction of services from Swansea and Chester, as well as Cardiff, and where appropriate could include an optional stop at Birmingham.

The proposed expansion comes in the wake of a promising start to Air Wales's twice-daily service to Brussels.

Nearly 1,000 passengers have used this Cardiff-Brussels service since it started in early May and the airline has achieved a 97 per cent punctuality performance, in other words within 15 minutes of the scheduled time.

Because of this success, Air Wales, part of the UK Aviation group which is backed by Cosalt, the publicly-quoted ships' chandlery and industrial group, has decided to add a Sunday evening service to Brussels to meet winter's schedule.

Inquiry urged into adult entrants to university

AN INQUIRY into ways of encouraging an increased intake of older people into university and polytechnic courses was urged by the Trades Union Congress and the Confederation of British Industry yesterday.

The study, said that its joint memorandum to the National Economic Development Council, meeting in London "should include the extent to which previous courses for such entrants have been found to be necessary and the degree of success which has been achieved in mounting such courses."

"From this base, more work could be done, with the support of professional bodies, to examine how part-time routes to university could be better provided."

The memorandum also gave tentative support to the Engineering Industry Training Board's proposal for a radical reform of the craft apprenticeship system.

Under the Board plan, youngsters could start the first stages of training in the schools, possibly at the age of 14 and emerge with full craft status and pay when they reached 18.

The TUC and CBI said that, although the proposal is primarily a matter for study by the unions and employers directly involved, "we wish to commend this initiative and to recommend that it should be given serious consideration by the Government."

Enterprise Board takes 20% stake in Logica

FINANCIAL TIMES REPORTER

A PROPOSAL by the National Enterprise Board to take a 20 to 30 per cent stake in Logica, the computer software company, was announced yesterday.

The move is likely to be a preliminary to bringing Logica into close co-operation with Inspec, the Enterprise Board's recently established subsidiary for marketing software overseas.

So far, four software (computer programming) companies have agreed to co-operate with Inspec. They are represented on Inspec's Board, while the Enterprise Board has taken minority stakes in their equity.

For some time Inspec has been trying to persuade Logica to join the group. Now, although no formal agreement has been reached, Logica says that it is "considering ways of co-operation with Inspec."

Evert and Navratilova win through to final

THE TOP two seeds, Chris Evert and Martina Navratilova, will meet in the final of the women's singles at Wimbledon tomorrow. The match will be a repeat of their recent clash in the final of the Colgate event at Eastbourne when the Czech girl won in three sets.

Miss Evert won steadily and impressively yesterday against the defending champion Virginia Wade 6-2, 6-2, but Miss Navratilova's match against Bronze was one of high drama. They were poised at one set each and 3-3 when Mrs. Cawley again damaged the injured Achilles tendon in her left leg. She was left a hobbling cripple and lost the match 2-6, 6-4, 6-1.

TENNIS

BY JOHN BARRETT

when Miss Wade misjudged a lob Miss Evert's lob, cunningly hoisted in the breeze, constantly frustrated the British girl's attempts to get to the net and take charge. Eventually she settled for some lengthy baseline rallies, one of which went to 23 strokes, as the games passed regularly with service.

They moved neck and neck to 6-5 and just when it seemed the first set would need to be decided by a tie-break Miss Wade was dramatically broken in the 13th game. One fine lob beat her all ends up and she was left stranded by an exquisite Evert cross-court back-hander.

Miss Wade strained every sinew to break back and save the set. She led 30-15 but she could have been 40-15 but she pulled a forehead and a couple of inches wide, followed this with

Steel chiefs divided on price rise call

BY ROY HODSON

SOME MEMBER companies of the National Association of Steel Stockholders are trying to raise the prices of steel products to industrial customers over and above recent British Steel Corporation increases.

They are attempting to force up the agreed mark-up charged by members on some of the British Steel products they handle.

An increase of at least 2 per cent is favoured by some companies on the present mark-up of 15 per cent.

But the association is divided on the issue and attempts are being made to consult all members before fixing a new figure or agreeing to hold the mark-up at present levels.

So far only general steel products are involved. Members of the association dealing in British Steel strip mill products have already decided to hold the mark-up at the present level of under 15 per cent.

Unnecessary

Home-produced strip mill products are having to fight hard for share in the market against competition from imports—mostly from Europe—and the situation has been aggravated by the recent strike at Llanwern strip mill in South Wales.

The Institute of Purchasing and Supply said last night that, considering the profits being made by most steel

stockholders, it would be impossible to persuade buyers that an increased mark-up was necessary on any British Steel products handled by them.

A number of British Steel products are already being priced higher than the prices recommended by the EEC as part of the Davignon Plan for steel. That is because British Steel still enjoys a market in general steel which is insulated to some extent from the wider European market.

"The fact that British Steel will have a considerable range of products priced higher than the Community level seems to be unfair to British industry which is expected to buy steel from national sources," said the Institute of Purchasing and Supply.

Production standards for cars next month

By Terry Dodsworth

NEW REGULATIONS controlling standards of manufacture for cars sold in Britain come into operation at the beginning of next month.

They are designed to bring British standards into line with EEC proposals and mean that manufacturers will have to satisfy the Department of Transport that individual components such as seat belts, glass and exhaust systems, meet certain safety and environmental requirements.

New cars in dealers' showrooms which have not been "type approved" cannot be registered on or after August 1.

The development of international EEC standards will lead eventually to a system under which vehicles totally type approved in one country can be sold in any other Community state.

This is expected to liberalise the flow of trade, since at present vehicles are often subjected to individual national tests.

It is expected that it will take about two more years to establish an all-embracing European system.

'Long-dated' gilts may benefit

By Our Economics Correspondent

CONDITIONS in the money market are likely to be tight during the next month as banks rearrange their assets and liabilities to comply with the re-imposition of the so-called corset controls over banks would lead them to reduce their competition for medium-term lending business.

FBI's performance was in contrast with the experience of the other main subsidiary, LCF, which lends to small companies. This company met a considerable increase in the demand for its facilities and made a record £50m of gross investment in loans and shares, compared with £20m in the previous year. In total, advances were made to 518 customers, an average investment of

Medium-term loans business 'has gone mad over past year'

BY MICHAEL BLANDEN

COMPETITION for medium-term leading business has gone mad in the past year, Lord Seebom, chairman of Finance for Industry, said yesterday.

Introducing the group's annual report, he said that a scramble for business had developed which had made conditions difficult for the group's FCI subsidiary, which is involved in lending substantial amounts to large manufacturing companies.

The competition among the clearing and other banks had had two major effects: the banks had been prepared to offer loans on longer and longer terms, extending up to 10 years and even 15 years rather than the more normal seven years; and margins over market rates had been squeezed to unrealistic levels of about 3 per cent for medium-term loans and 1 per cent for 10-year money.

As a result, FCI had extended the period for which it will consider variable rate loans to 15 years compared with 10 years previously.

It has been prepared to consider loans on spreads of as low as 11 per cent, although so far it has not provided any at less than 11 per cent.

The subsidiary had a fairly quiet year, advancing a total of £40m.

Lord Seebom suggested that the re-imposition of the so-called corset controls over banks would lead them to reduce their competition for medium-term lending business.

FBI's performance was in contrast with the experience of the other main subsidiary, LCF, which lends to small companies. This company met a considerable increase in the demand for its facilities and made a record £50m of gross investment in loans and shares, compared with £20m in the previous year. In total, advances were made to 518 customers, an average investment of

reporting on the group's source of funds, he said that in the past year it had been able to raise the whole of its requirement without recourse to the gilt-edged market.

The group was able to raise £50m at relatively attractive rates and was well placed in the face of higher interest rate levels, for the coming financial year.

Dearer Saabs

PRICES OF Saab cars sold in the UK will go up by an average of about 3 per cent on August 7. Costs have increased against the Swedish krona.

PRICES OF Saab cars sold in the UK will go up by an average of about 3 per cent on August 7. Costs have increased against the Swedish krona.

Inflation likely to fall after peak next year

BY DAVID FREUD

AN OPTIMISTIC outlook on inflation is taken by the Henley Centre for Forecasting. It says that inflation is now turning upwards, but will peak at about 9.5 per cent in the early part of next year. From then it will fall steadily for the next four years.

One consequence of the increase in the rate of inflation would be more Government revenue than envisaged in the Budget. Additional revenue would also derive from the sharp rise in consumer spending.

These factors, together with the continued effectiveness of cash limits in keeping public expenditure in check, would keep the public sector borrowing requirement well within the £5.5bn limit set by the Chancellor.

A similar outlook on inflation is taken by Staniland Hall, another independent economic and business forecasting group. It believes that inflation will rise to about 10.3 per cent by the middle of next year, after which it will decline to a low of 7.5 per cent by 1980/81.



Chris Evert avenged last year's defeat

Former defence chief joins board of Racal

FINANCIAL TIMES REPORTER

RACAL, the fast-growing military electronics group, has appointed Admiral of the Fleet Sir Edward Ashmore as a member of its Board.

Sir Edward, 58, was Chief of the Defence Staff until his retirement last summer. For most of his 44 years in the Navy he specialised in communications.

For the last 20 years he has been closely involved in liaison with Government Ministers and the Civil Service.

Amex opens shop bank

AMERICAN EXPRESS has

taken an important step into retail banking by opening a branch of its International Banking Corporation subsidiary in Harvey Nichols, the Debenhams Group store in Knightsbridge.

The branch will be open during normal shop hours, including Saturdays. The move comes when the big UK banks

Phone box charge freeze causes big loss

By Christopher Dunn

BRITAIN'S 350,000 kiosk and phone boxes may have lost £45m last year, the Post Office said yesterday.

Losses on the Post Office's 77,000 kiosk phones—public call boxes—could have accounted for over £25m of this for the year ended March 1978.

The losses were directly attributable to the three-year freeze on coin-box charges, the Post Office said.

Charges might have risen to a minimum of 5p a call, compared with 2p now, to bring charges into line with private phone calls. Adjustments might also have been made to the time allowed for a call.

"Business and private phone subscribers are now subsidising payphone calls far too much," said the Post Office.

It made these estimates after publication of the Post Office Users National Council's annual report, which said that coinbox charges would probably be increased when prices were next adjusted.

But the Post Office said that no decision about altering prices in 1979 had yet been taken.

Since 1975, losses on kiosk phones alone have totalled £75m, including £23m in 1976-77. Telecommunications made a profit in that year of £365m, before repaying £100m of excess profits to subscribers.

Changeover

The users' council said last night that it hoped prices could be held unchanged for as long as possible. But losses on payphones were mounting too sharply, although it had normally made some losses in the past.

Once a decision is taken about altering coinbox charges, the changeover could be effected within a few months.

Discussions continue with the Post Office and the Office of Fair Trading on codes of practice. The aim is to present a clearer and simpler basic statement of what can be reasonably expected of Post Office services, and to improve the remedies available if things go wrong.

The council is pressing for an independent arbitration procedure to be set up in the more intractable disputes with Post Office customers.

The users' council is also trying to persuade the Post Office to introduce a new system for itemising calls for customers. One third of its complaints were about disputed telephone bills, it said yesterday. The Post Office said that such a system would probably cost the subscriber extra.

These statements will evolve from the interim recommendations (the Hyde Guidelines) and be required from companies to consultation.

Policy change

Against this, the group made provisions of £12.4m compared with £7.1m in the previous year. The increase reflected a change in policy and the general rise in the level of business.

The group's new investment for the year was £162m, the highest since the formation of Finance for Industry and compared with £125m in the previous year. With uncompleted business standing at a record of more than £100m at the end of the year, Lord Seebom said: "FBI's commitment to British industry, since its formation in November, 1973, now exceeds £650m."

Reporting on the group's source of funds, he said that in the past year it had been able to raise the whole of its requirement without recourse to the gilt-edged market.

The group was able to raise £50m at relatively attractive rates and was well placed in the face of higher interest rate levels, for the coming financial year.

Sea oil policy criticised

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE Government's North Sea oil policy is strongly attacked today for being too cautious in its approach, for being blurred in its presentation, for avoiding many issues and for making wrong choices on big policy decisions.

The criticisms come in a paper from the Fabian Society, the independent Labour research organisation.

The paper has been published just before a one-day Fabian conference in London on Saturday. The speakers will include: Mr. Anthony Wedgwood Benn, Energy Secretary; Mr. Barrie Sherman, director of research at the Association of Scientific, Technical, and Managerial Staffs; Professor Marcus Miller from Manchester; and Professor Dick Sargent, group economic adviser of the Midland Bank.

The memorandum says that the Government's White Paper on North Sea oil, published earlier this year, also contains a big error in the calculation of future gas production and an equally big error in the calculation of future oil production. It is inconsistent with that adopted in the recent Green Paper on energy.

The Fabians say that the Government is wrong by giving

Government plans simpler version of Price Code order

THE GOVERNMENT yesterday published proposals for reducing the amount of information companies have to give the Price Commission when proposing price increases.

It also produced plans for a much simpler background Price Code order to replace the old Code, which expires after five years at the end of this month.

The new Price Code, which will be of minor practical importance, will set only as guidance for the Price Commission.

Basically it will be a re-statement of the criteria in the Price Commission Act by which the commission judges price increases.

The Price Commission and Confederation of British Industry (CBI) have been discussing means of reducing the administrative burden imposed by price controls on companies for some time.

Although the proposals published yesterday do not go as far as the CBI would like, they will mean that companies proposing only relatively small increases will have to do far less paperwork than at present.

The idea is to link the amount of information required to the amount of additional revenue the price increase would generate for the company.

These companies proposing increases that would yield less than £250,000 of additional revenue will only have to give the commission the barest details: their name, the goods involved, the proposed date of implementation, and the yield calculated on historical data.

Rather more information will be required from companies to consultation.

At the same time as making the changes, the Government proposes raising the size of company that will be exempted altogether from the pre-notification requirements.

If the proposals are agreed, the threshold on manufacturing companies will be raised from £12m to £15m and that for service companies from £9m to £12m.

All the changes are to come into effect on August 1, subject to required from companies to consultation.

New inflation accounting guidelines are on way

FINANCIAL TIMES REPORTER

THE ENGLISH INSTITUTE OF Chartered Accountants yesterday approved a new statement of intent on inflation accounting. This sets out the accounting bodies' plans to develop the present Hyde guidelines over the next year.

The statement said: "An exposure draft will be prepared with the assistance of the inflation accounting steering group and published not earlier than the spring of 1979."

"It will propose that published accounts drawn under the historical cost convention should be supplemented by statements providing profit and loss account and balance sheet information on a current cost basis."

These statements will evolve from the interim recommendations (the Hyde Guidelines) and be required from companies to consultation.

The exposure draft will be confined to principles and objectives. Separate guidance notes, not forming part of the standard, will be published setting out suitable methods for implementing the principles and objectives.

Special guidance notes setting out suitable methods for smaller companies will be published to assist in the interpretation of principles on a voluntary basis."

These surplus will be the cost of domestic demand and hence a reduction in unemployment levels—in spite of such a reduction being declared to be the first priority in the White Paper.

The White Paper on North Sea Oil Revenue: Fabian Society, 11, Dartmouth Street, London, NW1H 9BN; 50p.

These surplus will be the cost of domestic demand and hence a reduction in unemployment levels—in spite of such a reduction being declared to be the first priority in the White Paper.

The White Paper on North Sea Oil Revenue: Fabian Society, 11, Dartmouth Street, London, NW1H 9BN; 50p.

These surplus will be the cost of domestic demand and hence a reduction in unemployment levels—in spite of such a reduction being declared to be the first priority in the White Paper.

The White Paper on North Sea Oil Revenue: Fabian Society, 11, Dartmouth Street, London, NW1H 9BN; 50p.

These surplus will be the cost of domestic demand and hence a reduction in unemployment levels—in spite of such a reduction being declared to be the first priority in the White Paper.

The White Paper on North Sea Oil Revenue: Fabian Society, 11, Dartmouth Street, London, NW1H 9BN; 50p.

These surplus will be the cost of domestic demand and hence a reduction in unemployment levels—in spite of such a reduction being declared to be the first priority in the White Paper.

The White Paper on North Sea Oil Revenue: Fabian Society, 11, Dartmouth Street, London, NW1H 9BN; 50p.

These surplus will be the cost of domestic demand and hence a reduction in unemployment levels—in spite of such a reduction being declared to be the first priority in the White Paper.

The White Paper on North Sea Oil Revenue: Fabian Society, 11, Dartmouth Street, London, NW1H 9BN; 50p.

These surplus will be the cost of domestic demand and hence a reduction in unemployment levels—in spite of such a reduction being declared to be the first priority in the White Paper.

The White Paper on North Sea Oil Revenue: Fabian Society, 11, Dartmouth Street, London, NW1H 9BN; 50p.

These surplus will be the cost of domestic demand and hence a reduction in unemployment levels—in spite of such a reduction being declared to be the first priority in the White Paper.

The White Paper on North Sea Oil Revenue: Fabian Society, 11, Dartmouth Street, London, NW1H 9BN; 50p.

These surplus will be the cost of domestic demand and hence a reduction in unemployment levels—in spite of such a reduction being declared to be the first priority in the White Paper.

The White Paper on North Sea Oil Revenue: Fabian Society, 11, Dartmouth Street, London, NW1H 9BN; 50p.

These surplus will be the cost of domestic demand and hence a reduction in unemployment levels—in spite of such a reduction being declared to be the first priority in the White Paper.

The White Paper on North Sea Oil Revenue: Fabian Society, 11, Dartmouth Street, London, NW1H 9BN; 50p.

These surplus will be the cost of domestic demand and hence a reduction in unemployment levels—in spite of such a reduction being declared to be the first priority in the White Paper.

The White Paper on North Sea Oil Revenue: Fabian Society, 11, Dartmouth Street, London, NW1H 9BN; 50p.

PARLIAMENT AND POLITICS

No decision on measures to recoup £140m. cuts—Barnett

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THE GOVERNMENT will decide whether to take action to recoup the £140m lost as a result of the 1p income tax cuts inserted into the Finance Bill by the Opposition, Mr. Geoffrey Howe, chief secretary to the Treasury, told the Commons last night.

He indicated that the Government's decision on whether to make good the £140m will largely depend on the indicators for eventual borrowing requirement.

"There are two ways in which one can offset it—by public expenditure cuts, tax increases or a combination of the two," Mr. Barnett was speaking on the report stage of the Finance Bill as MPs debated the new clause which introduces the 1p increase in the National Insurance surcharge.

This was adopted as a compromise with the Liberals when it became clear that the Government could not force its original proposal for a 2p per cent surcharge through the House.

The 1p income tax cuts and the consequential reductions in tax at the higher bands, left the Government with a shortfall of £140m to make up. The 1p per cent increase in the National Insurance surcharge will bring in £300m still leaving £140m to be made good.

During last night's debate Mr. Barnett also gave an indication that the Government may increase the cash limits in the public sector, such as the National Health Service, in order to offset the effect which the higher surcharge will have on them.

For the Tories Sir Geoffrey Howe, the Shadow Chancellor, condemned the increase in the surcharge and declared: "We regard it as a foolish and unnecessary measure introduced at a foolish time and in a foolish fashion."

Challenged to explain the strategy of his own party, Sir

Geoffrey again emphasised the Conservatives' intention to reduce income tax and shift the burden on to indirect taxes.

He pledged that the Conservatives would cut public expenditure, particularly on subsidies to trade, industry and employment.

He coupled this with an attack on the huge sums which had been poured into the British Steel Corporation over the past decade.

Mr. Barnett emphasised that once it was clear that the income tax reductions could not be reversed, a 2p per cent increase in the surcharge was the best answer. This would have left a substantial surplus available next year for further cuts in income tax.

The tax cuts, he said, had added £440m to the borrowing requirement. The £350m figure for the public sector borrowing requirement was the best estimate but "no one is saying with absolute exactitude that this is going to be the figure."

It was not unusual to have a margin of error of £10m or more on the borrowing requirement. This margin of error had to be viewed against a total cash flow of £140m.

It might be that the return of the borrowing requirement would be less than £350m.

Stressing that the income tax reductions would not be coming into effect until November, Mr. Barnett said: "We will be reviewing the prospects for the borrowing requirement in the light of what further information is coming before us."

"This will enable us to take any corrective action necessary to keep the borrowing requirement within the £350m to which we are committed."

He pointed out that the £440m raised by increasing the surcharge by 1.5 per cent represented only 0.1 per cent of public

sector receipts and payments.

Pressed for further clarification by Mr. Nigel Lawson, a Tory frontbencher, Mr. Barnett said: "I don't say we would necessarily need to recoup the £140m."

"We will study the situation between now and November and decide what, if any, further action is necessary to ensure that the borrowing requirement remains within £350m."

Sir Geoffrey Howe pointed out to Mr. Barnett that the higher surcharge would increase the cost of employing people in the public sector.

It would add £54m to the cost of employment in the National Health Service and £42m to costs in local government.

In the light of this he wanted to know whether the Government would increase cash limits in the health service and increase the support grant to local authorities.

Mr. Barnett said: "Cash limits will be increased as necessary."

Dealing with the argument over levels of income tax Mr. Barnett said: "I think the people of this country need to be quite pleased with things that are happening there when they begin to see the precise consequences of what they have done."

"I accept that our income tax at the higher and lowest ends are very high and need to be cut. I want to see lower rates of direct taxation but I would never argue that that is the answer to all our problems."

"To suggest that this could solve the problem of inflation in the country is to carry it to exaggerated lengths."

Although he conceded that the increased surcharge would upset the cash flow in firms he also emphasised that it might encourage the more efficient use of labour and thus improve productivity.

Sir Geoffrey said the surcharge was taking the country

in the wrong direction at the moment, and showed the Labour Party would remain "the high taxation party, stifling the prospects of growth and success."

The increase was a tax on jobs, profit and investment at a time when individual payroll taxes had increased by £200-300 million over 18 months.

The Government has progressively diminished the rewards for going to work and being employed, and progressively increased the rewards for not going to work," he said.

These measures had progressively increased the cost of employing people.

The Government was off course, offering no strategy for the restoration of prosperity. "We have got to get about reawakening sensibly and more effectively work and enterprise."

He talked about the past recession but over the past three years 6m new jobs had been created in the U.S. which had a far better performance in terms of growth.

"One simply cannot see now the Government can go on deflating a record of such total failure and a policy which has reached a dead end," Sir Geoffrey said.

An essential pre-condition for the conquest of inflation was to reduce the public sector borrowing requirement. Mr. Barnett had wasted four years by being too high on the need to be cut. I want to see lower rates of direct taxation but I would never argue that that is the answer to all our problems.

"To suggest that this could solve the problem of inflation in the country is to carry it to exaggerated lengths."

Although he conceded that the increased surcharge would upset the cash flow in firms he also emphasised that it might encourage the more efficient use of labour and thus improve productivity.

Sir Geoffrey said the surcharge was taking the country

Effect of tax changes

BY DAVID FREUD

THE GOVERNMENT yesterday confirmed that it would accept the Tory amendments to the Finance Bill made at the Committee Stage.

This means the basic rate of income tax for the 1978-79 financial year will be reduced from 34 to 33 per cent and the new threshold for the higher rate bands will be £8,000.

The changes will take effect as from April 6, 1978.

The main effect not already dealt with will be on Advance Corporation Tax. The Chancellor will table a resolution to the Bill

to bring the rate of ACT into line with the reduction in the basic rate of income tax.

Accordingly the rate of ACT will be reduced from 34-66ths to 33-66ths. The new rate will apply to distributions of dividend made after April 6.

The Inland Revenue said yesterday that the new rate would simplify operating provisions straight away.

The Inland Revenue said that individuals who had been in receipt of dividend at the old rate since April 6 would automatically receive the difference due.

It added that inspectors of taxes would also make what amendments were needed in the case of taxpayers liable to higher rate tax or investment income surcharge.

Companies which have paid ACT at the old rate from April 6 will be entitled, on enactment of the amendment, to the difference between the two rates.

Such companies could either make the necessary adjustment to their next ACT payment for a subsequent return payment or apply in writing to the appropriate Collector of Taxes for repayment.

It added that inspectors of taxes would also make what amendments were needed in the case of taxpayers liable to higher rate tax or investment income surcharge.

Companies which have paid ACT at the old rate from April 6 will be entitled, on enactment of the amendment, to the difference between the two rates.

Such companies could either make the necessary adjustment to their next ACT payment for a subsequent return payment or apply in writing to the appropriate Collector of Taxes for repayment.

Penistone Environment was considered by-pass 'poll bribe'

A \$40 MILLION by-pass for Penistone, Yorkshire, where a by-election is to be held today, was announced yesterday in the Commons.

Immediately, Mr. Robert Adley, vice-chairman of the Conservative Parliamentary committee, called the statement an election bribe.

The announcement came from Mr. John Horam, Transport Under Secretary, in a Commons reply to Mr. Edwin Walwyn (Lab. Deane Valley).

Mr. Horam said the preferred route of the scheme would go along the side of Stockbridge Valley and provide relief for Stockbridge, Penistone and Deepcar.

This scheme, together with the by-pass for Mottram-Tintwistle and other improvements to the A628, would cost about £40m, Mr. Horam said.

Mr. Adley, MP for Christchurch and Lynton, said last night: "What an astonishing coincidence that all the schemes in the national pipeline, the Secretary of State for Transport should suddenly have woken up this morning and decided that, above all others, this one had top priority."

"This is nothing less than an election bribe and one would have hoped that Mr. Bill Rodgers [Transport Minister] might have risen above such things."

"No doubt the doughty Yorkshire folk in the Penistone constituency will see through this transparent piece of chicanery."

ENVIRONMENTAL factors were taken into account by the Government before the RAF station at Fairford in Gloucestershire was chosen as the base for the 15 additional U.S. air force KC 135 tanker aircraft which are to be stationed in Britain, Mr. Fred Mulley, the Defence Secretary, told the Commons yesterday.

After stressing that Fairford was already a fully operational airfield which had also been used by Cochrane he said: "I think that on balance there will be less and not more noise and pollution."

Led by Mr. Nicholas Ridley (Con. Cirencester and Tewkesbury) MPs from the area stated that while the decision would be a disappointment to people living in the Cotswolds they were likely to accept it because the location of the additional KC 135 tankers in Britain was essential to the interests of Western security.

Concern in the area over environmental factors was emphasised by Mr. Douglas Hurd (Con. Mid Oxon) who said his constituents felt that the matter had been rather clumsily handled.

Mr. Mulley said responsibility for the decision was his, but he had consulted Mr. Peter Shore, the Environment Secretary.

Fairford had a distinguished record in providing a home for the RAF and the U.S. air force and the stationing there of the KC 135 tankers was merely a change of use.

The KC 135 tankers were similar aircraft to the B-47s which had already operated from Fairford.

In his view the provision of facilities for these aircraft there would not add in any way to the understandable problems which arose anywhere with military installations.

By providing an extended capability for air refuelling the KC 135s would multiply very substantially the value of the RAF station.

Replying to Mr. Anthony Kershaw (Con. Stroud), the Minister explained that as no change of

use was involved at Fairford it was unlikely that there would be a very substantial case for additional compensation arising from the operations of the tanker aircraft.

The local economy would benefit by between £3m and £5m a year as a result of the decision.

In the Lords Lord Winterbottom, a former Conservative MP, said there had been a leak to The Times from the Ministry of Defence about the decision to site the base at Fairford.

On Tuesday night Lord Winterbottom replied to a short debate on the issue saying that Mr. Mulley would be making an announcement in the near future.

Lord Winterbottom said: "Unfortunately, there was a leak at the Ministry and the first I knew about the proposal was in The Times this morning."

Viscount Mersey, a Tory peer, called for the officials responsible for the leak to be named.

Replying to Mr. Anthony Kershaw (Con. Stroud), the Minister explained that as no change of

use was involved at Fairford it was unlikely that there would be a very substantial case for additional compensation arising from the operations of the tanker aircraft.

The local economy would benefit by between £3m and £5m a year as a result of the decision.

In the Lords Lord Winterbottom, a former Conservative MP, said there had been a leak to The Times from the Ministry of Defence about the decision to site the base at Fairford.

On Tuesday night Lord Winterbottom replied to a short debate on the issue saying that Mr. Mulley would be making an announcement in the near future.

Lord Winterbottom said: "Unfortunately, there was a leak at the Ministry and the first I knew about the proposal was in The Times this morning."

Viscount Mersey, a Tory peer, called for the officials responsible for the leak to be named.

Replying to Mr. Anthony Kershaw (Con. Stroud), the Minister explained that as no change of

Welsh vote victory

THE GOVERNMENT last night beat off by two votes an Opposition attempt to bar the proposed Welsh Assembly from making special grants to art galleries, museums and libraries to buy special items for their collections.

During the report stage of the Wales Bill, which sets up the Assembly by a referendum, Tory peers challenged a clause which allows the Assembly to buy anything it considers appropriate to support museums, galleries, libraries and other cultural activities.

The Tories tried to write in a provision that they should not make special grants for collection items. But this was rejected by 81 votes to 79.

COMMERCIAL TELEVISION company—diversification into such activities as safari parks, publishing and funeral direction was defended by the Independent Broadcasting Authority yesterday.

Sir Brian Young, director-general of the authority, told a Commons select sub-committee that the concern of the broadcasting regulator was to ensure that the public interest was served, but the unions should count the inflow as well as the outflow of money.

In 1974, when advertising revenue was sluggish, receipts from outside interests had helped to sustain television programme investment.

He argued that ATV's Edward VII series and Granada's World at War were two such instances.

Sir Donald Rabergh, chairman of the sub-committee, asked what contribution the ownership of a safari park by one company and (Trident Television) helped programming, and Sir Brian repeated his point about providing a level flow of investment for pro-

gramme-making.

Sir Donald wondered if "advertising revenue dropped you sell off a few zebras and camels."

Sir Brian said the zebras and camels might be making a profit while television revenue itself was falling.

In the course of the hearing Sir Brian said the authority would be producing new rules on the amount of foreign programming allowed on ITV screens, probably within the next month or two.

Northumbria Television, a new consortium, bidding to capture the franchise of Tyne-Tees Television.

It wants the franchise from August next year when the Tyne-Tees Television contract runs out after 30 years.

The new company says it wants to get away from "the parish pump approach." It would continue to make local programmes but also offer high quality features to the ITV network.

A new television centre planned for Newcastle-upon-Tyne would create 200 new jobs.

A PRIVATE Member's Bill to give British vineyards relief from rate and duty was introduced and given an unopposed first reading in the Commons yesterday.

Speaking Union in Oxford Mr. Riffkin who resigned as a spokesman in December 1976 for the Conservative party adopted an anti-devolution stance and said that both "hard line unionists and supporters of devolution would welcome proportional representation since it would never be dominated by a separatist party."

Traditionally no party in Scotland achieved more than 50 per cent of the vote. The only party to have done so was the Conservative Party in 1955.

"This Scotland was a country of minorities even before the rise of the SNP and will remain one in spite of its decline. The electoral system should mirror this reality and proportional representation would help ensure that it did."

"The House of Lords must stick to its guns on this issue or it really will have become a paper tiger."

Television companies interests defended

BY ARTHUR SANDLES

COMMERCIAL TELEVISION company—diversification into such activities as safari parks, publishing and funeral direction was defended by the Independent Broadcasting Authority yesterday.

Sir Brian Young, director-general of the authority, told a Commons select sub-committee that the concern of the broadcasting regulator was to ensure that the public interest was served, but the unions should count the inflow as well as the outflow of money.

In 1974, when advertising revenue was sluggish, receipts from outside interests had helped to sustain television programme investment.

He argued that ATV's Edward VII series and Granada's World at War were two such instances.

Sir Donald Rabergh, chairman of the sub-committee, asked what contribution the ownership of a safari park by one company and (Trident Television) helped programming, and Sir Brian repeated his point about providing a level flow of investment for pro-

Aid sought for UK vineyards

A PRIVATE Member's Bill to give British vineyards relief from rate and duty was introduced and given an unopposed first reading in the Commons yesterday.

Speaking Union in Oxford Mr. Riffkin who resigned as a spokesman in December 1976 for the Conservative party adopted an anti-devolution stance and said that both "hard line unionists and supporters of devolution would welcome proportional representation since it would never be dominated by a separatist party."

Traditionally no party in Scotland achieved more than 50 per cent of the vote. The only party to have done so was the Conservative Party in 1955.

"This Scotland was a country of minorities even before the rise of the SNP and will remain one in spite of its decline. The electoral system should mirror this reality and proportional representation would help ensure that it did."

"The House of Lords must stick to its guns on this issue or it really will have become a paper tiger."

Campaign to help low-paid workers planned

A CAMPAIGN to stop exploitation of homeworkers was announced by the Government yesterday.

Mr. John Grant, Employment Under-Secretary, told Mr. Jack Ashley (Lab., Stoke-on-Trent S.) in Commons written reply that inspectors will be making checks in selected areas during the summer and autumn to see that firms in industries subject to statutory wages council pay rates and conditions are observing them for their homeworkers.

An advisory committee, with trade union and employer representatives, will monitor progress and see what further action might be needed. Mr. Grant will be the chairman.

Employment Protection Act powers will be used to get information from employers.

The campaign will concentrate on parts of London and the Midlands, but arrangements will ensure that other areas will not be ignored.

Mr. Ashley said later that the steps announced by the Minister would be "hardly the problem of exploitation of homeworkers."

They would help only 25,000 out of an estimated 250,000 homeworkers. "So the action is only a small quibble rather than the big banger required, and the attack will be brushed aside by tough and ruthless employers."

For the Liberals, Mr. John Pardoos said it would have been extremely easy for the Chancellor to have ensured a "greaseless" budget without any of the reaction that took place in the City.

Many people would regard the City's Budget reactions as "stark raving bonkers."

"The fact is that they have gone monetary mad and have been totally converted, beheading, beheading, beheading and bewildered by the 'guru' from Chicago."

They should be sent on compulsory courses at Cambridge to study Keynesianism.

Mr. Pardoos said he was concerned with which was the "least bad" form of taxation.

The Tories agreed with the Liberals on the need for reducing tax to substantially lower levels, but they refused to say how they would pay for it.

He said income tax was a fundamentally bad tax. Advantages of payroll tax were that it was broad-based, and did not distort the economy.

It was no good the Government blaming Opposition parties for cutting taxation. "We are here to cut taxes," he said.

Action on coach safety

BRITAIN is to introduce regulations to strengthen motor coach roofs independently of the Common Market, Mr. John Horam, Transport Under Secretary, announced in the Commons yesterday.

Britain was acting in this way because the EEC had not made progress on the draft regulations. Britain had proposed last year.

Mr. Horam told Mr. Gwyn Roberts (Lab., Cannock) that last year 64 people died and 1,289 were seriously injured in bus and coach accidents, which represented one-sixth the rate for cars and taxis.

Mr. Roberts said there would be many candidates for this summer who would be implementing the proposals, which had been put before the House two years ago.

Mr. Peter Temple-Morris, a Conservative transport spokesman, said that, while appreciating the problem, the industry has to be congratulated on the fact that accidents over the past decade. As these horrendous accidents often involved old people and children action was needed to improve the brakes on these vehicles.

Mr. Horam said that consultations on braking standards were starting later this year.

Implementation could only follow industry action and it would be a couple of years before coaches could be produced with new braking standards.

Proportional representation plan urged

By John Lloyd

THE HOUSE of Lords should insist that the Scotland Bill includes provision for proportional representation in a future Scottish Assembly, Mr. Malcolm Rifkind, a former Conservative frontbencher spokesman on Scotland said yesterday.

Speaking to the England Speaking Union in Oxford Mr. Rifkind who resigned as a spokesman in December 1976 for the Conservative party adopted an anti-devolution stance and said that both "hard line unionists and supporters of devolution would welcome proportional representation since it would never be dominated by a separatist party."

Traditionally no party in Scotland achieved more than 50 per cent of the vote. The only party to have done so was the Conservative Party in 1955.

"This Scotland was a country of minorities even before the rise of the SNP and will remain one in spite of its decline. The electoral system should mirror this reality and proportional representation would help ensure that it did."

"The House of Lords must stick to its guns on this issue or it really will have become a paper tiger."

LABOUR NEWS

Plessey to cut 600 jobs as telephone demand falls

BY PHILIP BASSETT, LABOUR STAFF

PLESSEY Telecommunications yesterday announced that 600 340 will be hourly-paid staff. The final figure of 600 is some 300 less than had been locally anticipated.

The company blamed a reduction in demand for traditional telephone equipment and a change to less labour-intensive electronic systems.

The workers involved will be given the statutory 90-day consultation notice required under the Employment Protection Act, though the company will initially seek volunteers to go.

Union meetings at branch level will be held within the next few days to discuss responses to the decision. Union leaders are angry at the timing of the management announcement yesterday and the way the decision was circulated in the plant rather than through union channels.

The redundancies were announced after a meeting with representatives of the workforce. Of the 600, 280 will be from manufacturing and staff positions and 320 will be hourly-paid staff. The final figure of 600 is some 300 less than had been locally anticipated.

A total of 5,100 workers are employed at Plessey's headquarters at Speke and Kirkby. The company has a year ago Plessey 1,900 jobs on Merseyside with the closure of factories at Speke and Kirkby. The company said at the time that further redundancies might have to be considered because of a drop in orders from the Post Office.

Plessey said in a statement announcing the redundancies that it regretted the action, but it was necessary because of reductions in demand for Plessey telephone equipment and the change to new electronic systems.

The Post Office last placed an order with Plessey for 100,000 equipment, now 40 years old in design, 18 months ago. Since then the Edge Lane plant has been mainly involved in the manufacture of new equipment. The company intends, though, to introduce the manufacture of electronic telephone equipment at the Edge Lane factory. The Plessey 1,900 jobs at Liverpool, we suppose about 1,000 people, purpose-built for TTXE equipment and the company's fact at Chorley, employing 1,000 men, are also manufacturing. The Post Office hopes to have some of the equipment in operation by 1980.

Manufacture of the digital electronic System X telephone equipment for the Post Office's also continue in Liverpool. Union leaders represent the 1,100 men employed Smith's Ship Repairers of No Shields have been told that some 1,000 men have to make the ship repairing business out of a further collapse.

Toolmakers' leader seeks executive seat

BY ALAN PIKE, LABOUR CORRESPONDENT

MR. ROY FRASER, leader of the unofficial toolmakers' group in EL Cars, is fighting for a seat on the Amalgamated Union of Engineering Workers' executive in September.

In the recent presidential election Mr. Fraser headed the list of eliminated candidates with more than 19,000 votes, an impressive total for a candidate unsupported by either of the union's two powerful political factions.

The intervention of such a strongly-placed outsider as a candidate will increase the pressure on the main left and right-wing contenders to call every vote.

Left-wingers urgently need to win the vacancy, caused by the retirement of Mosley, Mr. Reg Birch, if they are to retain a presence on the AUEW executive. Their candidate is Mr. Len Choultier and his Right-wing opponent is Mr. Jack Whymman. Both are full-time members of the Right-wing group have proved unable to unite around a single candidate to fight for the executive vacancy caused by the election of Mr. Terry Duffy to succeed the AUEW presidency in October.

The first-round ballot paper will be sent to the members of the union's three moderate full-time officials in the West Midlands—Mr. Alfred Cotton, Mr. Ken Carr and Mr. Bill Jordan.

Right-wingers are certain to give full support to any of the three who qualifies for a second ballot next year, but the division may help to give the edge in the first round to the Left-wing candidate, Mr. John Tocher, a full-time official from Manchester.

The September elections will be of major importance to the AUEW with Mr. Duffy's 22,000 vote margin, which alone, consolidates further their control of the executive and Left-wingers fighting to recover a credible base for opposition.

PA journalists to meet management today

BY PAULINE CLARK, LABOUR STAFF

UNION REPRESENTATIVES and management in the Press Association are to meet this afternoon for the first time since Tuesday last week in a last-minute change in shifts.

The journalists' claim for a 22,000 increase has been rejected by management as being in breach of the Government's 10 per cent guideline.

Union representatives say their proposals for increases over 10 per cent were rejected although "within the guidelines."

Mr. Ken Ashton, general secretary of the NUJ, indicated last Wednesday that he did not think intervention by ACAS was necessary at that stage, but PA management emphasised yesterday it had not decided against the offer.

Mr. Ian Yates, chief executive of the agency, said: "ACAS made a brief and informal approach yesterday and asked for the facts of the situation, which were given to them. Possible help from ACAS has not been ruled out."

Until yesterday there had been no sign of a break in the deadlock that had existed for more than a fortnight.

Last Friday, the 240 journalists involved, increased their action

Supervisors stop work

THE 350 foremen employed by Perkins of Peterborough, the diesel engine manufacturer, came out on strike yesterday.

They are angry with the management for not taking disciplinary action against a stock steward in a dispute over duties.

The labour force is working without supervision but the company says that production has not yet been affected.

Gormley fends off bitter Yorkshire area attack

BY CHRISTIAN TYLER, LABOUR EDITOR

MR. JOE GORMLEY, president of the National Union of Mine Workers, grimly put down an open challenge to his authority yesterday from the militant Yorkshire coalfield.

The assault was launched at the annual conference in Torquay by Mr. Sam Thompson, from Armthorpe near Doncaster. He called on the president to resign after accusing him of wheeling and dealing with the National Coal Board and bringing the union into disrepute.

Angry scenes followed as right-wing members of the national executive leapt to Mr. Gormley's defence. At one point Mr. Gormley stood shouting at a queue of would-be speakers to sit down so that he could answer the charges against him.

The incident was triggered off by passage in the annual report involving rescue brigades men in Yorkshire. Underlying it, though, was the tension discernible all week caused by the controversial area incentive schemes after a pithead ballot had rejected a similar nationally-based plan.

Yorkshire claims that the executive blocked local negotiations on the rescue men's demand for higher bonuses, even though the scheme was supposed to be an area matter.

Mr. Arthur Scargill, Yorkshire area president and a contender for Mr. Gormley's job, forced his way to the rostrum to challenge Mr. Gormley's account of his part in the dispute. He signally failed, however, to drown the applause that greeted Mr. Gormley's defence.

With Mr. Mick McGahey, Scottish president, nodding his assent, Mr. Gormley said he had told the Board that if higher bonuses were offered to Yorkshiremen he could not guarantee that he would not seek the same for everyone.

Redundant steelworkers will get up to £3,500

BY ROBIN REEVES, WELSH CORRESPONDENT

REDUNDANCY terms for the workers at East Moors, Cardiff, closure of British Steel's Redpath Dorman Long subsidiary at Treorchy, South Wales, have been agreed. Shutdown of the plant will go ahead as originally planned on September 30, with the loss of 300 jobs.

The severance payments are reportedly not as generous as those granted redundant steel-

Callaghan appeals to health unions

By Paul Taylor

THE PRIME MINISTER urged health service unions yesterday to avoid a damaging strike, Mr. Callaghan made his appeal to reception to mark the 30th anniversary of the founding of the National Health Service.

After praising the achievements of the past 30 years, a Callaghan said that strikes and stoppages caused harm to the care and cure of patients, damaged the reputation of the service.

He welcomed the initiative Mr. David Ennals, Social Service Secretary, was taking to bring representatives of doctors, nurses, midwives and Health Service unions to discuss how to avoid disruptive industrial action. He hoped the talks would provide solutions.

Mr. Callaghan did not make specific reference to the British Medical Association, which, amongst the unions, has refused to sign a letter of commitment to the Health Service to mark the anniversary.

He told an audience which included past Health Ministers, MPs, union leaders, industrialists and Health Service representatives that huge improvements had been made in the service but the lack of resources to meet needs still persisted.

He promised more cash for the service when the economy improved but reiterated the need to control inflation.

Mr. Stanley Orme, Social Security Minister, read a message from Mr. Ennals, who was unable to be present at the anniversary celebrations because he is in hospital.

Guests at the reception, said by the Department of Health and Social Security to have cost only £2,000, passed a small but noisy picket line outside the House. The demonstrators were protesting about Health Service cuts and hospital closures.

In a statement issued yesterday to mark the anniversary the TUC said it welcomed the talks with Mr. Ennals but emphasised the need for more finance in the

BL car strike at Swindon to go on

A MEETING of 840 strikers in BL's press shop, Swindon, voted yesterday to continue the stoppage. The strikers said that the stoppage could affect other plants.

BL, formerly British Leyland, said yesterday that the dispute was not affecting assembly lines and layoffs were not being considered at this stage.

The strikers refused to have started when management sought to introduce segregation of passed and reject panels at the end of the line instead of at a later stage. Striking members of the union's General Workers' Union objected to the plan on the grounds that it represented a change in working practice.

Panel from Swindon are distributed to plants at Longbridge, Cowley and Abingdon.

Cars threatened by the dispute include the Mini, Allegro, Marina, Maxi, Princess and MG.

Centralised bargaining 'unhealthy'

By Our Labour Correspondent

CENTRALISATION of collective bargaining may satisfy the egos of some union leaders but it is a betrayal of the power of the state," Mr. Frank Chapple, general secretary of the Electrical and Plumbing Trades Union, says in the employers' backed by the political power of the state. To accept the needless extension of state power simply in the belief that it would give union leaders more say in how that power was exercised would be a "betrayal of our past."

Jobs and Materials

sticky problem

STRUCTURE STUDENTS at field University are building a large-scale house which will be a single-storey building and, with the addition of a second storey next year, will be six of the students engaged on the project.

Impagies such as Unibond, technical advice and the power Services Commission given 66,000 under the current job creation scheme employ a group of unemployed structure graduates to carry out the majority of the construction work.

The walls and roof of the building are made of a 12-layer roll-on, over-deck 2.4 metres by 0.6 metre panels in which 12 mm of plywood is bonded to 150 mm core of extruded polystyrene. Because they were not equipped with a

allagheeps dry on top

peals
heath
ions

TO provide a solution to the problem of accumulation of moss in insulation, a 15-layer roll-on, over-deck insulation comprising an outer layer of roofing felt, a core of polyurethane insulation and a reinforcing membrane of a profiled aluminium vapour seal.

The insulation, called Tekur, supplied in rolls which cover square metres. Of German origin, it is being marketed in

Concrete mixed like food

FILE EXHIBITING at a food fair in Saudi Arabia, E. T. Oakes member of the Mono Group) claims to be a world leader in food mixing technology, is asked if its methods could be employed for the mixing and reduction of lightweight aerated concrete.

The company met the challenge which resulted in its Cretolite Unit which provides an efficient way of producing up to 7 cubic metres per hour of lightweight, raised concrete in a continuous semi-continuous process. An aerial pump enables the unit to deliver the finished product to the point of use at heights of up to 30 metres.

For on-site use the machine is applied as a trailer-mounted unit for towing by Land Rover similar vehicle with power supplied by a diesel engine rated 16 hp. It is also available

Explosions less likely

A RANGE of filter felts incorporating electrically conductive polyester fibres to reduce the risk of fires and explosions in air cleaning installations has been introduced by Webcor Products, Bescap Road, Rawlins, Rosendale, Lancashire, BB4 7JL.

Many types of powder, such as flour, sugar, starch, plastics, wood, rubber and coal, can potentially explosive mixtures when mixed with air but build-up of static electricity

can be prevented by the earthed filter bags which incorporate the special fibres.

The anti-static filter felts can provide resistance levels below 100 Megohms, conforming with BS 2680 and German Standard DIN 53452 relating to anti-static materials. The felts are produced in four standard qualities, all heat stabilised for use up to 150 degrees C. The 340 gm/m² and 400 gm/m² qualities are suitable for shaker or vibrator cleaning, flat envelope or tubular filter elements. The 500 gm/m² and 640 gm/m² qualities are right for pulse jet filter elements.

PACKAGING Containers by the million

WHAT IS claimed to be the most advanced fully-automated plant in Europe for the production of larger polyethylene containers for liquid products in the 5 gallon/25 litre size range is now in operation at Pilsu Containers, Woburn Sands, Buckinghamshire.

In the smaller range, the production capacity is about 100m a year and 400m the larger size. Demand for the company's most solid product range, the "Compact" family of bottles, which come with capacities of 4 litre to 10 litres, has provided a base for the company to extend its horizons to encompass Europe, and form an Anglo-Dutch venture, Pilsu Europe BV, based at Halfweg, Netherlands.

The company has just launched the SP25, a 25-litre rectangular jerrycan with rounded corners. Available also in a 20-litre version, it has been developed for use with 1100mm by 1100mm pallets and is designed to fit eight across the internal dimensions of 150 freight containers.

The "square-round" container is blow-moulded from robust high-density polyethylene and manufactured in versions for stacking 2, 4 and 6 high, with two layers per pallet, each layer accommodating 16 containers.

Stack stability is aided by the container's top and base configuration which enables stacking in any of four positions.

Suitable for use with a wide range of chemicals, foodstuffs and other corrosive and non-corrosive products, it has an integrally moulded carrying handle which, together with the finger-tips provided by the base configuration, facilitates easy controlled pouring even when protective gloves are worn.

Available in a wide range of attractive colours, a large flat labelling area on all four sides is necessary to avoid scuffing, and the container can be supplied in relatively small runs, screen-printed with customers' own brand designs.

COMPUTERS Push at Trafalgar

IN A MOVE which creates the largest British group selling and supporting small business computers, Allied Business Systems (Trafalgar House group) and Business Computers (Systems) yesterday announced the signing of an agreement on close co-operation.

ABS is acquiring the Brighton manufacturing centre of Business Computers and an option to purchase the share capital has been given by the latter's shareholders to ABS. However, Business Computers remains an entirely independent company.

The joint organisation will market Multibus equipment made by ABS throughout Britain. ABS will continue to manufacture Business Computers' Molecular systems and ensure continuing support.

The new arrangements provide the group with a market base of small business machines already installed of about 600. To these must be added potential customers—perhaps as many as 1,000 or so sites—using machines which were the predecessors to Molecular. The partners have undertaken to continue support

in terms of software development, applications programming and general support.

ABS predicts its turnover for 1978 in terms of equipment sold at £1.6m. It has distributors in Scandinavia, Benelux, France, Spain and South Africa. Its installed base of Multibus equipment now amounts to over 250 machines. Turnover for Business Computers this year is expected to reach £3m, or double the figure for 1977.

Trafalgar House has taught many organisations lessons in how to run building projects. It is sharpening its teeth on the Press.

With something like 40 companies involved in introducing small and medium companies to the mysteries of computers, the latest move from a Trafalgar-based company must be looked at in the same light. The acquisition programme is by no means an end. It could be much more effective than roughly parallel health care and take in other nearby companies.

ABS, 1, Berkeley Street, London W1X 6NN. 01-499 9020.

MACHINE TOOLS Tight radii no problem

PRINCIPALLY for use in the shipbuilding and chemical industries where tight radius bends are often desirable and where pipes have bends in one or more planes is a numerically controlled unit, to handle pipes from four to 10 inches diameter, and up to 1-inch wall thickness.

The Mediolum 5 uses the draw bending technique, i.e., bending over a mandrel, in order to ensure quality of bends and can be used for bending either steel alloys or non-ferrous alloys as used in the above-mentioned industries.

Maximum centre line radius is 24 inches and maximum length over mandrel is 5 metres.

All three movements, that is, degree of bend, plane of bend and distance between bends, are hydraulically actuated and a resolver which counts revolutions is responsible for maintaining accuracy of all three motions. All speeds are infinitely adjustable within the speed range, and a brake ensures that a slow-down movement is engaged before the pre-set dimension is achieved.

The motor driving the hydraulic pump is housed at the back of the machine and the hydraulic oil reservoir is thermostatically controlled in order to ensure the correct viscosity. A fail-safe ensures that the machine is non-operational unless the oil is at the right temperature. Similarly, the mandrel lubrication system is also a fail-safe type, ensuring that the machine does not operate unless mandrel lubricant is being fed.

Tool setting is made easy by slot-in tooling, secured by pegs in the case of the clamp and by the use of one nut only on the plane of bend carriage and by use of one nut only on the bend die.

Addison Tool Company, Westfields Road, Acton, London, W3 0RE. 01-893 1661.

COMMUNICATION Links with control systems

OFFERING A solution to problems facing manufacturers of pre-packaged roads liable to arise from soon-to-be-mandatory ECU weight control regulations is the Satorius range of MP balances, says the company of 18 Avenue Road, Belmont, Surrey (01-442 8691).

In addition to being themselves

programmable, the balances are said to be very suitable for operation in conjunction with data monitoring and control systems. Coupled with a Honeywell Level 6 minicomputer, numbers of balances from the range varying from 0.1 mg sensitivity and with capacities up to 30 kg, with speeds of up to 100 weighings per minute, can be interrogated simultaneously by the minicomputer.

LUBRICATION Withstands the heat

CONVEYOR chains passing through stoving ovens create maintenance problems due to lubricant breakdown.

Acheson has formulated a new conveyor lubricant that overcomes these problems—unlike conventional lubricants it does not decompose at modern stoving temperatures to form varnish, gums and carbon.

Conveyrolube oven chain lubricant will work continuously at temperatures up to 150 deg C and for sustained periods up to 350 deg C. It gives protection against wear and secure and eliminates sagging and puddling of conveyor lines. As it has a low evaporation rate it is long-lasting and can be applied sparingly.

Acheson Colloids Company, Prince Rock, Plymouth PL4 0SP. 0752 286551.

Better account detail

LARGEST single application of Computer Output Microfilm (COM) is fully operational at Barclays Bank. The system, developed over three years by the Bank together with a Kodak task force, provides daily branch microfiche records of all 10m accounts.

In addition to providing speedier answers for customers queries, the COM system is saving Barclays up to four tons of paper monthly.

Nine Kodak KOM-80 microfilmers produce full close of business balances direct from magnetic computer tapes over-

Sweeps data into store

USING A new hand-held OCR scanner by Siemens, data can be captured about 10 times faster than with conventional key-boarding on a data terminal.

The easy-to-hold lightweight (5 oz) scanner need only be passed over the line to be read with a short sweep of the hand in either direction. An audible signal indicates that all characters have been correctly read and transferred to the connected device, which may be a data terminal, a point-of-sale terminal, etc.

The complete unit consists of

Printer has simple head

NOVEL in design is the printing head employed in the latest model of matrix printer from Lear Siegler, available in the UK from Peripheral Hardware of West Molesey, Surrey.

The 9 x 7 dot matrix head has no magnetic cores attached to the individual print wires; instead, the wires are struck from behind by a solenoid driven armature and travel rapidly and with less inertia to the paper. Greatly increased head life is claimed.

Printing at 180 characters per second is carried out at 10 characters/inch horizontally and six or eight lines/inch vertically. The extended matrix allows underlining and true descenders on characters. The full 96 character ASCII set is standard, and foreign language and special sets can be provided to order.

Lear Siegler is providing the head mechanisms for Hewlett Packard, Data General and Anderson Jacobson machines.

Peripheral Hardware, Link House, Pool Close, West Molesey, Surrey, KT8 0HW. 01-941 4806.

PROCESSING Coal fed against high pressures

PROGRESS is being made in finding how to feed large volumes of coal into the high pressure and temperature chambers of modern plants used for the conversion of coal into synthetic natural gas and petroleum products.

The essential problem is to pump it in without any blockages or other interruptions. Lockheed Missiles and Space Company in the U.S. has designed a disc-shaped rotor, a kinetic extruder, which spins dry pulverised coal outwards through small passages.

It has demonstrated it can move more coal at lower cost than feeders employed at present pilot plants.

A rotor to move 50 tons an hour into chambers pressurised up to 1,000 pounds per square inch is being designed. The small scale model moves one ton into 300 psi chambers per hour and the same type of unit can move seven tons into chambers against 600 psi, the company says.

Interest in coal conversion is intensifying in the U.S. and elsewhere as oil and natural gas supplies decline. Systems differ but most process at high temperatures and pressures. Several pilot plants are operating aimed at developing commercial-scale operations but they all need a specialised feeder.

Lockheed's design is under a Department of Energy contract and data from it will enable coal feeders for big conversion plants to be designed.

WEIGHING Links with control systems

OFFERING A solution to problems facing manufacturers of pre-packaged roads liable to arise from soon-to-be-mandatory ECU weight control regulations is the Satorius range of MP balances, says the company of 18 Avenue Road, Belmont, Surrey (01-442 8691).

In addition to being themselves

Electronic voice pact

RACAL-MILGO has signed an exclusive agreement with Wavetek Data Communications of San Jose, California to market Wavetek voice response systems throughout Europe, Africa, and the Middle East.

Wavetek Data Communications has produced voice response systems since 1970 with over 150 installed in the U.S. and a number of systems in the United Kingdom. These systems enable any number of remote users to enter or access data at a central site via dial-up telephone lines using low cost key pads. The response to data entry or data retrieval inquiries are in computer controlled human voice form.

Racal-Milgo will provide complete voice response systems, from initial system conception to installation. Typical applications are where fast response is required, such as vehicle parts distribution, credit card verification, retail distribution order entry and shop floor data collection.

Racal-Milgo, Bennett Road, Reading, Berks. RG2 0SS.

Low cost message switching

TAKING ON companies such as GEC, Ferranti, Hasler, I.T.T. and Plessey is a new firm called Formale Communications, which has just entered the message switching business with its MRS system.

The company claims that at the lower end of the market, where perhaps the main task of the equipment is the distribution of text messages to various parts of an organisation, the equipment costs only about half that offered by the majors.

Format has achieved this, claims managing director Barry Taylor (an ex-ITT World Com-

Printer has simple head

NOVEL in design is the printing head employed in the latest model of matrix printer from Lear Siegler, available in the UK from Peripheral Hardware of West Molesey, Surrey.

The 9 x 7 dot matrix head has no magnetic cores attached to the individual print wires; instead, the wires are struck from behind by a solenoid driven armature and travel rapidly and with less inertia to the paper. Greatly increased head life is claimed.

Printing at 180 characters per second is carried out at 10 characters/inch horizontally and six or eight lines/inch vertically. The extended matrix allows underlining and true descenders on characters. The full 96 character ASCII set is standard, and foreign language and special sets can be provided to order.

Lear Siegler is providing the head mechanisms for Hewlett Packard, Data General and Anderson Jacobson machines.

Peripheral Hardware, Link House, Pool Close, West Molesey, Surrey, KT8 0HW. 01-941 4806.

PROCESSING Coal fed against high pressures

PROGRESS is being made in finding how to feed large volumes of coal into the high pressure and temperature chambers of modern plants used for the conversion of coal into synthetic natural gas and petroleum products.

The essential problem is to pump it in without any blockages or other interruptions. Lockheed Missiles and Space Company in the U.S. has designed a disc-shaped rotor, a kinetic extruder, which spins dry pulverised coal outwards through small passages.

It has demonstrated it can move more coal at lower cost than feeders employed at present pilot plants.

A rotor to move 50 tons an hour into chambers pressurised up to 1,000 pounds per square inch is being designed. The small scale model moves one ton into 300 psi chambers per hour and the same type of unit can move seven tons into chambers against 600 psi, the company says.

Interest in coal conversion is intensifying in the U.S. and elsewhere as oil and natural gas supplies decline. Systems differ but most process at high temperatures and pressures. Several pilot plants are operating aimed at developing commercial-scale operations but they all need a specialised feeder.

Lockheed's design is under a Department of Energy contract and data from it will enable coal feeders for big conversion plants to be designed.

WEIGHING Links with control systems

OFFERING A solution to problems facing manufacturers of pre-packaged roads liable to arise from soon-to-be-mandatory ECU weight control regulations is the Satorius range of MP balances, says the company of 18 Avenue Road, Belmont, Surrey (01-442 8691).

In addition to being themselves

Electronic voice pact

RACAL-MILGO has signed an exclusive agreement with Wavetek Data Communications of San Jose, California to market Wavetek voice response systems throughout Europe, Africa, and the Middle East.

Wavetek Data Communications has produced voice response systems since 1970 with over 150 installed in the U.S. and a number of systems in the United Kingdom. These systems enable any number of remote users to enter or access data at a central site via dial-up telephone lines using low cost key pads. The response to data entry or data retrieval inquiries are in computer controlled human voice form.

Racal-Milgo will provide complete voice response systems, from initial system conception to installation. Typical applications are where fast response is required, such as vehicle parts distribution, credit card verification, retail distribution order entry and shop floor data collection.

Racal-Milgo, Bennett Road, Reading, Berks. RG2 0SS.

Low cost message switching

TAKING ON companies such as GEC, Ferranti, Hasler, I.T.T. and Plessey is a new firm called Formale Communications, which has just entered the message switching business with its MRS system.

The company claims that at the lower end of the market, where perhaps the main task of the equipment is the distribution of text messages to various parts of an organisation, the equipment costs only about half that offered by the majors.

Format has achieved this, claims managing director Barry Taylor (an ex-ITT World Com-

Printer has simple head

NOVEL in design is the printing head employed in the latest model of matrix printer from Lear Siegler, available in the UK from Peripheral Hardware of West Molesey, Surrey.

The 9 x 7 dot matrix head has no magnetic cores attached to the individual print wires; instead, the wires are struck from behind by a solenoid driven armature and travel rapidly and with less inertia to the paper. Greatly increased head life is claimed.

Printing at 180 characters per second is carried out at 10 characters/inch horizontally and six or eight lines/inch vertically. The extended matrix allows underlining and true descenders on characters. The full 96 character ASCII set is standard, and foreign language and special sets can be provided to order.

Lear Siegler is providing the head mechanisms for Hewlett Packard, Data General and Anderson Jacobson machines.

Peripheral Hardware, Link House, Pool Close, West Molesey, Surrey, KT8 0HW. 01-941 4806.

PROCESSING Coal fed against high pressures

PROGRESS is being made in finding how to feed large volumes of coal into the high pressure and temperature chambers of modern plants used for the conversion of coal into synthetic natural gas and petroleum products.

The essential problem is to pump it in without any blockages or other interruptions. Lockheed Missiles and Space Company in the U.S. has designed a disc-shaped rotor, a kinetic extruder, which spins dry pulverised coal outwards through small passages.

It has demonstrated it can move more coal at lower cost than feeders employed at present pilot plants.

A rotor to move 50 tons an hour into chambers pressurised up to 1,000 pounds per square inch is being designed. The small scale model moves one ton into 300 psi chambers per hour and the same type of unit can move seven tons into chambers against 600 psi, the company says.

Interest in coal conversion is intensifying in the U.S. and elsewhere as oil and natural gas supplies decline. Systems differ but most process at high temperatures and pressures. Several pilot plants are operating aimed at developing commercial-scale operations but they all need a specialised feeder.

Lockheed's design is under a Department of Energy contract and data from it will enable coal feeders for big conversion plants to be designed.

WEIGHING Links with control systems

OFFERING A solution to problems facing manufacturers of pre-packaged roads liable to arise from soon-to-be-mandatory ECU weight control regulations is the Satorius range of MP balances, says the company of 18 Avenue Road, Belmont, Surrey (01-442 8691).

In addition to being themselves

Electronic voice pact

RACAL-MILGO has signed an exclusive agreement with Wavetek Data Communications of San Jose, California to market Wavetek voice response systems throughout Europe, Africa, and the Middle East.

Wavetek Data Communications has produced voice response systems since 1970 with over 150 installed in the U.S. and a number of systems in the United Kingdom. These systems enable any number of remote users to enter or access data at a central site via dial-up telephone lines using low cost key pads. The response to data entry or data retrieval inquiries are in computer controlled human voice form.

Racal-Milgo will provide complete voice response systems, from initial system conception to installation. Typical applications are where fast response is required, such as vehicle parts distribution, credit card verification, retail distribution order entry and shop floor data collection.

Racal-Milgo, Bennett Road, Reading, Berks. RG2 0SS.

Low cost message switching

TAKING ON companies such as GEC, Ferranti, Hasler, I.T.T. and Plessey is a new firm called Formale Communications, which has just entered the message switching business with its MRS system.

The company claims that at the lower end of the market, where perhaps the main task of the equipment is the distribution of text messages to various parts of an organisation, the equipment costs only about half that offered by the majors.

Format has achieved this, claims managing director Barry Taylor (an ex-ITT World Com-

Printer has simple head

NOVEL in design is the printing head employed in the latest model of matrix printer from Lear Siegler, available in the UK from Peripheral Hardware of West Molesey, Surrey.

The 9 x 7 dot matrix head has no magnetic cores attached to the individual print wires; instead, the wires are struck from behind by a solenoid driven armature and travel rapidly and with less inertia to the paper. Greatly increased head life is claimed.

Printing at 180 characters per second is carried out at 10 characters/inch horizontally and six or eight lines/inch vertically. The extended matrix allows underlining and true descenders on characters. The full 96 character ASCII set is standard, and foreign language and special sets can be provided to order.

Lear Siegler is providing the head mechanisms for Hewlett Packard, Data General and Anderson Jacobson machines.

Peripheral Hardware, Link House, Pool Close, West Molesey, Surrey, KT8 0HW. 01-941 4806.

PROCESSING Coal fed against high pressures

PROGRESS is being made in finding how to feed large volumes of coal into the high pressure and temperature chambers of modern plants used for the conversion of coal into synthetic natural gas and petroleum products.

The essential problem is to pump it in without any blockages or other interruptions. Lockheed Missiles and Space Company in the U.S. has designed a disc-shaped rotor, a kinetic extruder, which spins dry pulverised coal outwards through small passages.

It has demonstrated it can move more coal at lower cost than feeders employed at present pilot plants.

A rotor to move 50 tons an hour into chambers pressurised up to 1,000 pounds per square inch is being designed. The small scale model moves one ton into 300 psi chambers per hour and the same type of unit can move seven tons into chambers against 600 psi, the company says.

Interest in coal conversion is intensifying in the U.S. and elsewhere as oil and natural gas supplies decline. Systems differ but most process at high temperatures and pressures. Several pilot plants are operating aimed at developing commercial-scale operations but they all need a specialised feeder.

Lockheed's design is under a Department of Energy contract and data from it will enable coal feeders for big conversion plants to be designed.

WEIGHING Links with control systems

OFFERING A solution to problems facing manufacturers of pre-packaged roads liable to arise from soon-to-be-mandatory ECU weight control regulations is the Satorius range of MP balances, says the company of 18 Avenue Road, Belmont, Surrey (01-442 8691).

In addition to being themselves

Electronic voice pact

RACAL-MILGO has signed an exclusive agreement with Wavetek Data Communications of San Jose, California to market Wavetek voice response systems throughout Europe, Africa, and the Middle East.

Wavetek Data Communications has produced voice response systems since 1970 with over 150 installed in the U.S. and a number of systems in the United Kingdom. These systems enable any number of remote users to enter or access data at a central site via dial-up telephone lines using low cost key pads. The response to data entry or data retrieval inquiries are in computer controlled human voice form.

Racal-Milgo will provide complete voice response systems, from initial system conception to installation. Typical applications are where fast response is required, such as vehicle parts distribution, credit card verification, retail distribution order entry and shop floor data collection.

Racal-Milgo, Bennett Road, Reading, Berks. RG2 0SS.

Low cost message switching

TAKING ON companies such as GEC, Ferranti, Hasler, I.T.T. and Plessey is a new firm called Formale Communications, which has just entered the message switching business with its MRS system.

The company claims that at the lower end of the market, where perhaps the main task of the equipment is the distribution of text messages to various parts of an organisation, the equipment costs only about half that offered by the majors.

Format has achieved this, claims managing director Barry Taylor (an ex-ITT World Com-

Printer has simple head

NOVEL in design is the printing head employed in the latest model of matrix printer from Lear Siegler, available in the UK from Peripheral Hardware of West Molesey, Surrey.

The 9 x 7 dot matrix head has no magnetic cores attached to the individual print wires; instead, the wires are struck from behind by a solenoid driven armature and travel rapidly and with less inertia to the paper. Greatly increased head life is claimed.

Printing at 180 characters per second is carried out at 10 characters/inch horizontally and six or eight lines/inch vertically. The extended matrix allows underlining and true descenders on characters. The full 96 character ASCII set is standard, and foreign language and special sets can be provided to order.

Lear Siegler is providing the head mechanisms for Hewlett Packard, Data General and Anderson Jacobson machines.

Peripheral Hardware, Link House, Pool Close, West Molesey, Surrey, KT8 0HW. 01-941 4806.

PROCESSING Coal fed against high pressures

PROGRESS is being made in finding how to feed large volumes of coal into the high pressure and temperature chambers of modern plants used for the conversion of coal into synthetic natural gas and petroleum products.

The essential problem is to pump it in without any blockages or other interruptions. Lockheed Missiles and Space Company in the U.S. has designed a disc-shaped rotor, a kinetic extruder, which spins dry pulverised coal outwards through small passages.

It has demonstrated it can move more coal at lower cost than feeders employed at present pilot plants.

A rotor to move 50 tons an hour into chambers pressurised up to 1,000 pounds per square inch is being designed. The small scale model moves one ton into 300 psi chambers per hour and the same type of unit can move seven tons into chambers against 600 psi, the company says.

Interest in coal conversion is intensifying in the U.S. and elsewhere as oil and natural gas supplies decline. Systems differ but most process at high temperatures and pressures. Several pilot plants are operating aimed at developing commercial-scale operations but they all need a specialised feeder.

Lockheed's design is under a Department of Energy contract and data from it will enable coal feeders for big conversion plants to be designed.

WEIGHING Links with control systems

OFFERING A solution to problems facing manufacturers of pre-packaged roads liable to arise from soon-to-be-mandatory ECU weight control regulations is the Satorius range of MP balances, says the company of 18 Avenue Road, Belmont, Surrey (01-442 8691).

In addition to being themselves

Electronic voice pact

RACAL-MILGO has signed an exclusive agreement with Wavetek Data Communications of San Jose, California to market Wavetek voice response systems throughout Europe, Africa, and the Middle East.

Wavetek Data Communications has produced voice response systems since 1970 with over 150 installed in the U.S. and a number of systems in the United Kingdom. These systems enable any number of remote users to enter or access data at a central site via dial-up telephone lines using low cost key pads. The response to data entry or data retrieval inquiries are in computer controlled human voice form.

Racal-Milgo will provide complete voice response systems, from initial system conception to installation. Typical applications are where fast response is required, such as vehicle parts distribution, credit card verification, retail distribution order entry and shop floor data collection.

Racal-Milgo, Bennett Road, Reading, Berks. RG2 0SS.

The big new name in engineering

NEI

NORTHERN ENGINEERING INDUSTRIES

AMERGER OF
CLARKE CHAPMAN
& FREYROLLE PARSONS



Our overheads will lower your overheads

The Carruthers MONOBOX overhead travelling crane has been designed to save you money — all along the line.

The basic MONOBOX structure — a single box girder with great torsional resistance — has a high strength to weight ratio. Less deadweight means less cost.

The design has been developed and simplified to give you long and trouble-free service. And there's a contract maintenance service in operation throughout the United Kingdom, with swift delivery of spare parts. Down-time is kept to a minimum.

Volume production of parts and assemblies also helps to keep the costs low. A MONOBOX can be built to your exact requirements, together with any type of lifting tackle, and delivered — fast.

When it comes to overhead cranes, the Carruthers MONOBOX range is well worth considering. For design, reliability and versatility, they are outstandingly cost-effective.

Carruthers

MOVE UP WITH MONOBOX

Britain's leading crane manufacturers.

J. H. Carruthers & Company Ltd.
Peel Park Place, College Milton,
EAST KILBRIDE, Glasgow G75 5LR

NOW MICROACT

The small business Computer

with better Price Performance



MICROACT
Part of the ACT service from the Computer Company, with over 1000 successful U.K. systems already hard at work.

Applied Computer Techniques Limited,
6 Vicarage Road, Edgbaston, Birmingham
B15 2ES. Tel: 021-454 2151.

Sales & Service centres in
Birmingham, Bristol, London
and Sheffield.

TO ACT BY VICARAGE ROAD, EDGBASTON, BIRMINGHAM B15 2ES.
Please send the details of Microact. I do not want to see a salesman

Name
Company
Address

A FINANCIAL TIMES SURVEY

INDIAN INDUSTRY

AUGUST 15 1978

The Financial Times is preparing a major Survey on Indian Industry to be published on Indian Independence Day, August 15 1978.

The editorial synopsis is set out below:

INTRODUCTION The strength of Indian industry by comparison with other developing countries; slower growth in production last year after the 10 per cent spurt of 1976-77; problems of excess capacity and sluggish demand.

EMERGENCE OF INDUSTRIAL POLICY Nehru's concentration on heavy industry; the shift in the 1950s from a mixed economy to greater emphasis on public ownership; impact of government intervention through wage and price regulation, tariffs, foreign exchange control and licensing of new capacity.

PUBLIC SECTOR Expansion from utilities and heavy industry to the state taking over immense range of manufacturing plants; the structure of responsibility as divided between ministries in Delhi and between the central government and the states.

PRIVATE SECTOR The dominance of a small number of major industrial houses; restrictions on the size of individual companies imposed by the Monopolies Act.

FINANCE FOR INDUSTRY Access of the public sector to Government funds; credit policy of the nationalised banks; the development institutions; equity capital and the stock market.

TRADE POLICY Strong growth in exports particularly for the engineering industry; the absence of overall marketing drive; the impact of the removal in the Budget of tax concessions on overseas marketing.

LABOUR Increasing strength of trade unions in the organised sector; widespread industrial disruptions over the past year; the power of management to resist wage and bonus demands because of excess capacity.

OIL AND NATURAL GAS Development of Bombay High to meet a substantial proportion of domestic oil needs; continuing offshore exploration.

POWER GENERATION Recent shortages and their impact on industrial output; varying record of cutbacks among the states; plans to expand capacity.

FOREIGN INVESTMENT The Government's aim of gaining access to foreign technology but limiting foreign equity holdings; enforcement of the Foreign Exchange Regulations Act; attitude of the multinationals.

A major part of the survey will be devoted to studies of particular sectors and particular industries.

ELECTRONICS

SHIPBUILDING

STEEL

HEAVY ENGINEERING

MOTOR INDUSTRY AND AUTOMOTIVE PARTS

TEXTILES

AIRCRAFT

MINING

PETROCHEMICALS AND FERTILISERS

ELECTRIC MOTORS

DIESEL ENGINES

BICYCLES

JOINT VENTURES IN THIRD COUNTRIES

DEFENCE INDUSTRY

There will also be portraits of contrasting industrial cities—Bombay, Bangalore and Calcutta.

For details of advertising rates for this Survey and for other advertising requirements please contact:

Nicholas Whitehead
Financial Times, Bracken House
10 Cannon Street, London EC4A 3DF
Tel: 01-248 8000 Ext. 7112

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

The content and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor.

THE JOBS COLUMN

Latest managerial salary indicators

BY MICHAEL DIXON

IN CASE Tuesday's league table of salaries in London failed to satisfy readers' lust for figures, here is the Jobs Column's regular four-monthly indication of managerial-type pay levels throughout the country.

The table is based on nearly 3,000 of the 28,090 people who registered during February-May as job-candidates with the Government-sponsored Professional and Executive Recruitment Agency. My statistics are confined to particular age groups—with two exceptions (marked in the table) the 33 to 37 year olds—but the full details are available from Reward, 1 Mill Street, Stone, Staffs ST15 8BA—telephone Stone (078 583) 4334.

The first six columns (in all cases the figures in brackets are the corresponding salaries in February-May, 1977) relate to all candidates of the stated ages registering in each category throughout Britain. The last six columns relate only to those among the candidates who held "appropriate qualifications."

If all the general managers and so on are ranked by pay from highest to lowest, the "median" represents the salary of the person half way down. Likewise the upper quartile is the pay of the person a quarter way down the ranking, and the lower quartile that of the manager three-quarters down.

For personal comparison, Reward recommends the addition of 12 per cent to the table's figures if your employer is an international or large national concern; 9 per cent if it is a regional company with 200 to 1,000 employees; and otherwise 3½ per cent to allow for the time lag in publishing.

Age group 33-37	All in sample			Professionally qualified only		
	Lower quartile (1976)	Median (1976)	Upper quartile (1976)	Lower quartile (1976)	Median (1976)	Upper quartile (1976)
	£	£	£	£	£	£
General managers	7,000 (5,000)	8,425 (6,250)	12,000 (7,700)	6,337 (5,875)	7,500 (6,800)	10,062 (9,500)
Administration managers	3,900 (3,575)	4,750 (4,000)	5,700 (5,250)	4,650 —	5,000 —	6,000 —
Company secretaries	4,375 (4,000)	5,200 (5,100)	6,550 (5,875)	4,300 (4,150)	4,950 (5,100)	7,200 (6,000)
Accountants	4,500 (4,000)	5,500 (4,800)	6,500 (5,800)	5,500 (4,075)	6,150 (5,325)	7,000 (6,425)
Cost accountants	4,100 (3,987)	4,875 (4,500)	5,787 (5,412)	5,000 (4,500)	5,775 (5,225)	6,500 (6,000)
Computer managers	5,275 (4,637)	6,000 (5,500)	7,450 (6,375)	5,300 —	6,000 —	6,700 —
Systems Analysts	4,800 (3,900)	5,450 (4,250)	6,350 (5,200)	—	—	—
Computer programmers	3,737 (3,050)	5,000 (3,650)	5,675 (4,200)	—	—	—
O&M/work-study officers	4,000 (3,725)	4,450 (4,000)	5,225 (4,800)	4,250 (3,962)	4,800 (4,425)	5,275 (4,825)
Personnel executives	4,300 (3,500)	5,250 (4,625)	6,250 (5,000)	5,275 (5,000)	5,925 (5,725)	7,025 (6,125)
Training executives	4,050 (3,962)	4,750 (4,350)	5,250 (5,187)	4,337 —	4,825 —	5,500 —
P.R. executives	3,750 (3,412)	4,350 (4,050)	5,350 (4,812)	3,400 —	4,300 —	5,350 —
Marketing managers	5,500 (5,000)	6,500 (6,000)	7,362 (7,000)	6,000 (5,000)	6,600 (6,000)	7,825 (7,325)
Sales managers	5,000 (4,000)	5,800 (4,875)	6,725 (5,762)	5,350 —	6,000 —	7,200 —
Sales office managers	4,000 (3,475)	4,200 (3,800)	5,200 (4,150)	—	—	—
Sales representatives	3,500 (3,200)	4,200 (3,500)	4,950 (4,400)	—	—	—
Technical sales reps.	3,750 (3,250)	4,400 (3,900)	5,000 (4,500)	—	—	—
Retail management	4,000 (3,500)	4,500 (4,000)	5,500 (4,900)	—	—	—
Production managers—engineering	4,500 (4,000)	5,250 (4,500)	6,037 (5,000)	5,250 (4,400)	5,950 (4,950)	6,807 (5,500)
Production managers—non-engineering	4,500 (3,800)	5,000 (4,325)	6,000 (5,250)	5,150 (4,425)	6,075 (5,500)	7,062 (6,200)
Production engineers	4,500 (3,900)	5,000 (4,225)	5,750 (4,712)	4,700 (4,200)	5,000 (4,525)	6,100 (5,800)
Mechanical engineers	4,600 (4,000)	5,200 (4,400)	5,862 (5,100)	5,025 (4,000)	5,500 (4,500)	6,137 (5,275)
Electrical engineers	4,500 (4,000)	5,250 (4,700)	6,000 (5,300)	5,000 (4,300)	5,550 (4,900)	6,475 (5,750)
Chemical engineers	4,025 (4,000)	4,800 (4,800)	5,962 (5,000)	4,450 —	4,800 —	6,437 —
Quality control engineers	4,100 (3,500)	4,550 (4,050)	5,175 (4,600)	4,450 —	5,050 —	5,474 —
Draftsmen	3,850 (3,400)	4,300 (3,800)	4,850 (4,400)	3,850 (3,600)	4,225 (4,200)	4,687 (4,550)
Civil engineers	4,000 (3,900)	4,750 (4,500)	5,850 (5,200)	5,050 (4,250)	6,500 (5,200)	7,250 (5,800)
Technicians in engineering	4,000 (3,500)	4,500 (4,000)	5,150 (4,500)	4,000 (3,550)	4,500 (4,000)	5,150 (4,500)
Quantity surveyors	4,762 (4,325)	5,000 (4,350)	6,000 (5,350)	5,000 —	5,450 —	6,875 —
Chemists	3,900 (3,450)	4,850 (4,000)	5,800 (4,600)	5,000 (3,500)	5,550 (4,000)	6,037 (4,400)
Metalurgists	4,300 (3,925)	4,800 (4,350)	5,500 (5,575)	—	—	—
Physicists	4,650 (3,825)	5,425 (4,675)	6,875 (5,237)	—	—	—
Distribution executives	3,900 (3,425)	4,500 (3,900)	5,000 (4,500)	—	—	—
Purchasing executives	3,800 (3,375)	4,500 (3,900)	5,000 (4,750)	4,450 (2,700)	4,750 (4,000)	5,750 (5,025)

† 31-35 age group

31-36 age group

Chief Executive

For a small and successful light engineering company, highly regarded for its technical excellence by major names in the electronics and scientific industries. Turnover, which is less than £1m, has grown rapidly under new ownership and the board now proposes to develop the business further.

The chief executive will plan and direct the required expansion: determining the future role of the organisation, guiding the company along new lines and introducing modern management methods. This will entail capitalising on its reputation for prestige equipment and opening up new markets.

The requirement is for a record of achievement in a progressive and profit conscious manufacturing company, coupled with creative talent and demonstrable management skills. A qualified engineer, probably a graduate, may be preferred.

Remuneration: up to £15,000 plus car. Equity participation is a distinct possibility. Age: up to 40. Location: East Anglia.

Please write in confidence to F J Hall (Ref: 178F)

Thomson McLintock Associates 70 Finsbury Pavement London EC2A 1SX

Business Development Manager

Engineering

Salary Circa £14,000 p.a.
London Based

A Manager with the ability and experience to take charge of the development phase of new and existing businesses is required by an international engineering Group whose turnover is in excess of £100M p.a.

Personal responsibility would be to the Group Managing Director for the marketing and management of projects currently valued in excess of £15M p.a.

The successful candidate, male or female, may have a functional marketing background and a degree, preferably in a numerate discipline, will be expected.

The fringe benefit package is exceptionally attractive.

Resumes should be sent to the address below quoting ref 922/FT. They will be dealt with in the strictest confidence by ourselves and client's M.D. You should clearly state the name of any company to whom you do not wish your application forwarded.

Philip Smith

Manpower Consultants
85-87 Jermyn Street, London SW1Y 6JD. 01-930 4725.

Company Secretary

c £12,500 plus car

A public group of companies in the property sector requires an experienced company secretary who would be required to assume immediate responsibility for all secretarial matters at group and subsidiary company level. In addition he or she would be expected to advise management on rationalisation and reorganisation of the group structure, legal matters and oversee the office management function.

A record of achievement in a similar role is essential. Candidates should have either a chartered secretarial or a legal qualification combined with commercial experience.

Location central London. Age limit 45. Remuneration will be in the region of £12,500 plus car.

Please write in confidence for an application form to David Prosser, Executive Selection Division, Southwark Towers, 32 London Bridge Street, London SE1 8BY, quoting MCS/370L

Price Waterhouse Associates

SYSTEMS DEVELOPMENT ACCOUNTANT

City c£10,000

Reporting to the Financial Director, the Accountant will play the leading role in the development of computerised systems. With a machine change due in October, specific procedures are required for stock, commodity positions and management information. The position could lead to promotion into a line or systems post in the UK, US or Europe.

With an income of \$500 million and recent growth of 100% p.a., our client is a profitable subsidiary of one of the world's largest private companies. Age 27-35, applicants (male or female) should be qualified accountants with proven systems development experience in the profession or industry. Please telephone or write to Stephen Blaney, B.Com., ACA quoting reference 1/1719.

EMA Management Personnel Ltd.
Burne House, 88/89 High Holborn, London, WC1V 6LR
Telephone: 01-242 7773

Alumina Contractors Ltd.

Alumina Contractors Limited has been established to manage the construction of the £287 million alumina extraction plant on Aghinish Island in the Shannon Estuary near Foynes, County Limerick.

The plant is being built for Aghinish Alumina Limited, which represents the interests of Alcan Ireland Limited, Biliton Alumina Ireland Limited (a company within the Royal Dutch/Shell Group) and the Anaconda Ireland Company (part of the Atlantic Richfield Group).

Construction work will commence shortly and at peak the work force will exceed 2000. The plant will go into production in 1982.

Construction personnel in the categories set out below are required now.

Civil Engineers

Positions range from senior engineer with not less than seven years experience to senior agent or equivalent.

All candidates for these positions must have experience in large construction projects, involving heavy civil and/or mechanical work preferably in the international field.

Conditions include top salaries, bonus, company car and relocation expenses or living allowance.

Please give full personal details including experience and salaries or write for an application form to:

P.A. Hopkins,
Personnel Manager,
Alumina Contractors Limited,
Sarsfield House,
Francis Street,
Limerick.

Quantity Surveyors

With not less than ten years experience in contracting or consultancy. This should include claims, contract law and interpretation of conditions of contract.

Exceptional opportunity for A FINANCIAL CONTROLLER

(Financial Director Designate)

Would you like to join a highly successful, well diversified Company, operating mainly in these fields: Heating & Ventilating - Personnel Hygiene - Services for the Catering Industry - Printing - Management, Marketing, and Sales Training? Could you replace our Financial Director, who has moved into line management as Managing Director of our Service Group?

The selected applicant - 35/45 - will be a chartered accountant, with good professional and industrial experience. He/she will be responsible for management accounts - centralised management services, including data processing - cash management - and long term financial planning. He/she will

be expected to develop and implement the present sophisticated systems of controls, and will report direct to the Main Board.

The Industrial Headquarters of our Group (factories, computers, accounts department, etc.) are in Caerphilly, South Wales, and the Financial Controller will be expected to live in this area (relocation expenses will be paid if necessary). The salary will be commensurate with the importance of the position; a car provided, and a good pension scheme.

Please write or telephone for application form to: Miss Travers, Personnel Department, the TACK Organisation, TACK House, Longmoore Street, London SW1V 1JJ (01-834 5001).

ELSCINT

is an international company in the medical field, with fully-owned subsidiaries in Europe, USA and South America. Three outstanding opportunities have arisen in our International Sales and Service Division, located in London.

BUDGET CONTROLLER c. £6,000 +

As a member of the Headquarters financial team, the Budget Controller will be responsible for the preparation and implementation of the budgets of the subsidiaries, in co-operation with the local financial staff.

Ideally aged 25-32, the person we are looking for should be a qualified Financial and Management Accountant, with experience in budgeting, preferably with an international company. In order to implement the budgets of companies in different countries, he/she should possess good communicative skills and a persistent nature.

FINANCIAL ANALYST c. £6,000 +

As a member of the Headquarters financial team, the Financial Analyst will be required to process and analyse all the financial information arriving from the Company's subsidiaries throughout the world.

Ideally aged 25-32, the person we are looking for should be a qualified Financial and Management Accountant, with experience in the preparation and analysis of financial statements of multi-national companies and should further have experience in cash management. He/she should possess good communicative and planning skills.

OPERATIONS OFFICER c. £6,000

As a member of the Headquarters financial team, the Operations Officer will be responsible for all the sales operations and administration, including the despatching of goods, analysis of orders and pricing, preparation of quarterly sales forecasts and their implementation, sales statistics and the follow-up of outstanding orders from the factory. He/she will also be involved in the pricing of instruments. Ideally aged 25-32, the person that we are looking for should have a wide, preferably international, experience in sales administration. A candidate with a business degree is preferred.

Applications, accompanied by full c.v. and mentioning which position you are applying for, should be sent to Box A.3407, Financial Times, 10, Cannon Street, EC4P 4BY.

Financial accountant

c. £7,250 + car

Lex Service Group is a substantial public company with a turnover of £300 million and an impressive growth record. The Group is involved in Passenger Car and Commercial Vehicle Distribution, Hotels, Plant Hire and Transportation.

Internal promotion has created a vacancy for a Financial Accountant at the Group Head Office. The successful candidate will be a chartered accountant and preferably a graduate, in his/her mid to late twenties, with a minimum of two years post qualification experience in a large international practice. Responsibilities will include the preparation of group accounts, plans and forecasts together with financial analysis and management reporting.

The position is an ideal stepping stone from the profession into a commercial environment and offers the opportunity for wider experience with good prospects for advancement in a rapidly expanding group.

Please apply, in writing, with full details of your experience and qualifications to: Mr. T. J. Monks, Group Accountant, LEX SERVICE GROUP LIMITED, 17, Great Cumberland Place, London W1H 8AD.

Lex Service Group

GILT-EDGE DEPARTMENT

Institutional Gilt-Edge Department needs an additional Sales Executive and an Analyst/Sales Executive.

The Sales Executive should have had some experience of the gilt market with a stockbroker or an institution.

The Analyst would ideally, though not necessarily, be an actuarial student and would be expected to help develop and market an anomaly switching system.

Applications, which will be treated in strict confidence, to:-

P. W. Clarke,
Williams de Broc, Hill Chaplin,
P.O. Box 515, Pinner's Hall,
Austin Friars, London EC2P 2HS.

FINANCIAL DIRECTOR

Corporate Planning Responsibility

MAJOR UK ENGINEERING CO. (T/O £30M)

N. Midlands

to £12,000 + car

A new and lead role! Assume responsibility for directing, co-ordinating and playing a key top financial management part in: evaluating the company's performance • guiding its future • initiating and implementing new standards of performance appraisal • advising the Managing Director and the Board.

Our Client: One of Britain's oldest and more successful leading engineering companies. Annual sales, Profitability. Return on Capital are healthy! Substantial investment programmes have resulted in their being undoubted leaders in their field of technology. (65% of production exported).

Their future success is, however, dependent upon evolving and introducing more finite and sensitive financial controls to assist with day to day management, forward planning and continued cost reduction programmes. The company's head office is situated close to some of Britain's most beautiful countryside.

The Challenge: Working closely with the Chief Executive, his Board and the Group's corporate management in assessment and forward planning. Evolving and implementing improved • financial and manufacturing controls • M.I.S. • computer applications • budgeting and variance reports • 5 year corporate plans • identifying and negotiating new business development opportunities.

Your Department & Its Need: A large well established Finance Section (total staff 50) which includes • Financial Controller • Management Services Manager • Divisional Management Accountants. A loyal, hard working and reliable team in need of dynamic leadership, stimulation and guidance in the adoption of sophisticated and cost effective techniques for forecasting production control and monitoring performance.

Our Ideal Candidate: A highly qualified Accountant, aged 34-40 years, with a wealth of practical experience in • Financial Management and Cost Accounting • Computer Applications • Inflation Accounting • Budgeting • Corporate Planning. A knowledge of the heavy and of manufacturing industry is desirable. The predominant attributes we are seeking are • Creativity • Innovation • Marketing/financial skills • Resourcefulness in managing people • Capacity to work alongside a dynamic Chief Executive.

Generous Remuneration: Competitive basic salary + executive car + free BUPA + pension/life assurance + 4 weeks holiday + other benefits.

ACT NOW! To learn more and arrange an interview, telephone or write to the Company's adviser, Paul Sinha (Director), on 01-388 2051 or 01-388 2055 (24 hr. Answerphone) quote ref. 242. All applications will be treated in the strictest of confidence.

This appointment is open to male/female applicants.

MERTON ASSOCIATES (CONSULTANTS) LIMITED.
Merton House, 70 Grafton Way, London W1P 5LN
Executive Search and Management Consultants

JAPAN

BUSINESS DEVELOPMENT MANAGER

• Consumer Electronics • Lighting • Domestic Appliances • Engineering

Tokyo

c. £25,000 + car +
substantial allowances

A new and key role. Represent all 4 major Divisions of one of Britain's Industrial Giants. Be responsible for defining marketing and sales opportunities. Spearhead the further development of existing business into a £multi-million turnover in the fertile Japanese market.

Our Client: One of the U.K.'s top 20 companies with an enviable U.K. and Export Sales/Profit record. Turnover exceeds £1,000 million and they employ over 80,000 people world wide. Technologically in the forefront in many fields, they are intent upon gaining an important share of international markets.

Your Opportunity: To create and develop a branch office in Tokyo. Be responsible for • Identifying marketing opportunities • Developing marketing/sales programmes • Examining joint venture projects • Representing the Company at all levels.

The Ideal Candidate: You will have extensive experience of developing overseas markets • Be a skilled commercial negotiator • Be practiced in resourcing market intelligence and conducting market research • Be able to appraise financial viability of new projects • Think and act as a businessman • Preferably you will have a degree in electronics and be between 35 and 45 years of age.

Your Rewards: A generous basic salary + housing + car + 5 weeks leave + pension + other substantial benefits + excellent career development prospects.

ACT NOW! Telephone or write, in the strictest of confidence, to the Company's adviser, David Burns (Director), on 01-388 2051 or 01-388 2055 (24 hr. Answerphone), quoting reference number 241.

MERTON ASSOCIATES (CONSULTANTS) LIMITED.
Merton House, 70 Grafton Way, London W1P 5LN
Executive Search and Management Consultants

Manager Internal Audit

Cheltenham c. £7,500 + car

The Cheltenham and Gloucester Building Society wishes to appoint a suitably qualified person to set up and manage an internal audit function based on its chief office in Cheltenham.

This is a new appointment of senior rank and offers the opportunity to create a new department from scratch and to make a positive contribution to the further development of the Society's systems.

Candidates probably in their early 30's should be qualified accountants with a good knowledge of computer-based systems. Building Society experience, although useful, is not as important as sound general professional/commercial experience of modern financial control and accounting methods.

Apart from a competitive and negotiable salary, there are attractive fringe benefits. Write in confidence, quoting reference 2933/L, giving brief details of qualifications and experience, to M. J. H. Coney,

Peat Marwick Mitchell & Co.,
Executive Selection Division,
165 Queen Victoria Street,
Blackfriars, London, EC4V 3PD.

EDP SYSTEMS ANALYST AND SYSTEMS OFFICER

required for a group of companies in SAUDI ARABIA

EXCELLENT CONDITIONS

Please send resume to:

P.O. CONCORDIA

20, Westbourne Park Villas, London W2 5EA

International Opportunity for Senior Accountants

c. £8000

For an ambitious well qualified accountant this is an interesting opening which offers considerable promotion prospects as well as the opportunity to travel. Our Client is an American based multi-national service company with its European headquarters located in West London. As one of their international Senior Accountants you would be based in London, but expected to spend some 50% of your time abroad, mostly in Europe.

Responsibilities will be varied and include the reviewing of European subsidiaries monthly reports, the co-ordinating and preparation of budgets and ad hoc analyses both in London and in Europe.

The job obviously calls for a man or woman

with wide experience who has worked and, preferably, trained in a sophisticated accounting environment. At least two years' post qualification experience is essential and a working knowledge of at least one European language would be ideal.

A starting salary in the region of £8000 will be offered plus the usual benefits associated with a major firm.

Write in the first instance with full career details to Position Number ASI 6854, Austin Knight Limited, London W1A 1DS.

Applications are forwarded to the client concerned, therefore companies in which you are not interested should be listed in a covering letter to the Position Number Supervisor.

AK ADVERTISING

A private company which markets and supports MICRO COMPUTER systems, requires a

Young Financial Controller

This is an excellent opportunity for an ambitious, qualified, C.A., A.C.A. or A.C.M.A. with about 2 years' post-qualification experience, to enter commerce at a senior level with line responsibility. This appointment will provide the opportunity to develop a successful career by having early responsibility both within and outside the specific accounting sphere.

Home Counties Age 23-28 Salary from £8,000 & car allowance

Applications in the strictest confidence quoting CT should be addressed to:

I Robin R Whalley

INTERNATIONAL APPOINTMENTS (LONDON) LTD

(Executive Recruitment Consultants)

Culder House, 1, Dorset Street, London W1X 3PJ.

Telephone: 01-629 6678

Cable: Interappt, London W1.

Licensed in the United Kingdom in accordance with the Employment Agencies Act 1973 No. SE(A) 1416

SHORT-DATED GILTS

A major firm of brokers with an established Gilt-Edged Department wishes to appoint a Sales Executive specialising in short-dated gilts. The successful candidate will have access to the goodwill of established contacts.

As well as established Sales Executives, our clients would be interested to hear from individuals with experience of dealing in gilts on the Floor of the House or in appropriate Institutions. The main requirement is for a confident and energetic person, who is a self-starter.

The post will carry fully competitive remuneration and the opportunity of a progressive career in a profitable and ambitious business.

Applications will be forwarded direct to our clients, and you should indicate in a covering letter any firms to whom you do not wish to apply. Please apply in writing quoting reference 932, giving particulars of career, in confidence, to:

W. L. Taft,

Touche Ross & Co., Management Consultants,

4 London Wall Buildings, London, EC2M 5UJ.

Tel: 01-588 6644.

CORRESPONDENT BANKER

American Express International Banking Corporation

As a medium sized International Banking Corporation, we wish to appoint a well-qualified Commercial Banker to administer and expand our banking relationships world-wide.

The person appointed must have extensive knowledge of Documentary Credits, Bills, Loans Indications and Foreign Exchange. He/she must be personable and be able to demonstrate an ability of meeting with Bankers at a senior level.

The person appointed will report directly to the Vice-President in charge of the bank's non-lending activities. Age 35/45. Excellent fringe benefits will be afforded to the successful applicant.

Please apply in writing, stating age and experience, to:
Mr. E. J. Ralphs, Manager—Personnel,
AMERICAN EXPRESS INTERNATIONAL BANKING CORPORATION,
52/60 Cannon Street, London EC4P 4EY.

PRIVATE CLIENTS/BANKS ADVISER

Prominent City Stockbrokers

Career Opportunity

c. £7,000

An excellent career opening in one of the oldest firms, with an enviable reputation and exceptional track-record for stability, reliability and steady growth. Their partnership is dynamic and forward thinking.

Our Client: The firm has a substantial institutional, Private Clients and Banks business. The partners have invested heavily in computerisation and in ensuring the excellence of their research and valuations department. Their dealers are respected as among the best in the market.

Your Opportunity: To become an integral part of their Client Service function, servicing a regular clientele comprising several hundred banks, advising on investment funds of up to £100m. Complete freedom to organise and manage your areas of responsibility is an important feature of this varied, interesting and highly responsible position.

Your Background: An executive (male or female), aged 25-40 years, with a wide experience of handling private clients business. A sound knowledge of the following is essential: • UK Economy • Monetary Supply • Interest Rates • Politics • Personal Tax Planning • New Rules of CGT and effect on Investment Trusts • Trustee Act (1961) • Non-Resident Acts • Organising valuations • Preparing recommendations and discussing policy with Partners and Clients.

Remuneration: Generous basic salary + high bonus, + Pension/Life Assurance + 3 weeks holidays, etc.

ACT NOW! To discuss the appointment further, telephone or write (in strictest of confidence) to the firm's manpower adviser, Michael A. Silverman MIPM, on 01-388 2051 or 01-388 2055 (24 hr. Answerphone) Ref. 249

MERTON ASSOCIATES (CONSULTANTS) LIMITED.
Merton House, 70 Grafton Way, London W1P 5LN
Executive Search and Management Consultants

Institutional Sales

U.S. Equities

New York Based

A major U.S. investment banker is seeking an additional executive to assist in the servicing of existing institutional clients and the development of new relationships in England and Scotland.

Applicants (aged between 25-35) should have good institutional contacts and a thorough knowledge of the U.S. stock market. The job is based in New York but requires regular visits to the U.K.

Salary is negotiable and will depend on experience; the right individual will find the financial opportunity attractive. Generous assistance will be given towards relocation and other expenses. Application with full C.V. to:

Box F1034, Financial Times, 10, Cannon Street, EC4P 4BY.
All applications will be treated in the strictest confidence.

AREA OFFICER

Leading International Bank is seeking an Area Officer whose duties include the assembling, updating and analysing of all background information required to review and generate credit opportunities within a specific area and to provide back-up and background to travelling area representative. Position would be attractive to someone aged 25-30 with banking experience and, although not essential, French would be preferable. Initial salary negotiable £6,500-£7,500 plus usual banking benefits. Applications in strict confidence to Box A6406, Financial Times, 10, Cannon Street, EC4P 4BY.

Jonathan Wren • Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

LENDING OFFICERS Negotiable c. £9,000+
Our client is an international bank with branches in many parts of the world. Ideal candidates will have gained a basic grounding with a clearing bank before joining a City-based international bank where they will have gained credit experience. While the successful candidates will be initially based in London, they should be looking for an overseas posting in due course. Persons with direct lending/marketing experience who are already internationally mobile would be considered for earlier overseas assignments. A professional qualification and a fluency in a foreign language would be considerable advantages.
Contact: Roy Webb

EUROBOND CLEARANCE ADMINISTRATION

c. £8,000-£10,000

An expanding American Investment Bank requires a person with excellent Eurobond Administration experience and a thorough grounding in all other Euro-Securities and U.S. equities.
Contact: Mike Pope

170 Bishopsgate London EC2M 4LX 01-623 1266/7/8/9

Group Accountant International Banking

A major city based international banking group seeks to recruit a young chartered accountant, ideally aged 26-30. Previous experience of banking and multi-national operations would be useful but not essential.

The successful applicant will join a small specialist team, reporting directly to the Group Chief Accountant, responsible for the Group's accounts, establishment and co-ordination of accounting policies and tax planning. It is also involved in corporate financial planning, strategy and development.

An attractive basic salary, together with substantial ancillary benefits, will be offered and excellent future prospects are envisaged.

Write, giving relevant personal data and career history to:

The Personnel Manager,
Standard Chartered Bank Limited,
10, Clements Lane,
London, EC4N 7AB.

Standard Chartered BANK LIMITED

ENTREPRENEURIAL LAWYER

Up to £12,000 + car Manchester

An established and successful, privately-owned leasing company wishes to appoint to its Board a solicitor, or perhaps a barrister, aged around 28-36. He or she will have gained good commercial experience, preferably with a large professional firm and will be seeking now a chance to apply technical skills in a competitive environment, where challenges and rewards are great.

Based in central Manchester he or she must be willing for some travel throughout the U.K., to establish client contact. Personality and drive will be essential in tackling the intellectual and human relations demands of the business. Profit sharing. Relocation expenses.

Please apply:
Sir Timothy Hoare
17 Air Street
London W1R 5RJ
01-734 4284

Career plan

Interviews London or Manchester

SENIOR EXECUTIVES

INTEREXEC's confidential services are solely directed to helping senior executives to secure new appointments. INTEREXEC provides the most comprehensive and largest career advisory and job searching service for both U.K. and overseas appointments.

INTEREXEC undertakes all the research, maintains all the information and does all the work of the job search. Our professional service secures appointments faster.

THE INTEREXEC REGISTER LIMITED
The World Trade Centre, London E1 9AA
01-481 9977

Financial Controller

A nationally known association requires a financial controller to join its young and progressive management team. The association provides housing for the homeless and has a wide spread of properties in the UK. It has expanded rapidly and the Director proposes to streamline the organisation and introduce modern management methods.

The financial controller will be intimately involved in this transition. The requirement is to assess the financial organisation and implement new systems to facilitate the optimum use of resources. This will entail cash flow forecasting, project appraisal and developing a regular flow of management information. As one of three senior divisional managers reporting to the Director, the financial controller will participate in the day to day management of the association and the wider issues of policy making.

The need is for a qualified accountant, with a lively mind who is a strong administrator, with sound business and management experience gained in a major organisation.

Age: about 35. Remuneration: £9,000 plus car. Location: West London.

Please write in confidence to: A.H. Mallinson (Ref: 148)

Thomson McIntock Associates 70 Finsbury Pavement London EC2A 1SX **TML**

BANKER-INDONESIA

22-27

Up to \$40,000 tax free

Our client, a financial institution based in Indonesia and backed by substantial international and Indonesian shareholders, will shortly appoint a senior banker whose responsibilities will include:-

- * lending, medium and short-term, to local industry and commercial firms
- * advising and lending to multi-nationals already established in the area
- * advising on the structure of companies and their quotation on the Jakarta Stock Exchange
- * generally dealing with new business opportunities
- * taking his share of the administrative responsibilities involved in a small but expanding office

The ideal candidate will have obtained his lending experience preferably with a merchant bank based in the U.K. He will have, in addition, a good general financial knowledge and some experience of overseas assignments.

The person appointed will be deputy to the present managing director. The position therefore calls for someone who has leadership qualities and is mature enough to deal with a variety of responsibilities.

Prospects are excellent in a country that is going through an exciting period of development.

J. R. V. Coutts
Chichester House
Chichester Rents off Chancery Lane
London WC2A 1BX
Telephone 01-242 5775

Career plan

APPOINTMENTS
RATE
£14 per single
column centimetre

M.W. Marshall & Company Limited

has several vacancies for experienced Currency Deposit and Foreign Exchange dealers. Excellent salary and conditions of employment are offered to suitable applicants.

Applications in writing or by telephone will be treated in confidence and should be addressed to:

Staff Director,
M.W. Marshall & Company Limited,
52 Cannon Street, London EC4N 6LU
(01-236 3161).

Financial Controller

Leeds, c. £10,000 + car

This specialist manufacturing company (t/o £5m) who are major suppliers to the printing industry have made rapid strides in recent years both in technical innovation and profit terms. They now wish to appoint a Financial Controller who will report to the Managing Director. Candidates, aged around 35, must be Chartered Accountants, trained in a small firm and with good all round industrial experience in a professionally managed company. Any exposure to computers will be an added advantage. They will be hard working, down to earth, ambitious and keen to succeed.

J.R. Featherstone FCA, Ref: 12165/FT.

Male or female candidates should telephone in confidence for a Personal History Form to: LEEDS: 0532-448661, Minerva House, 29 East Parade, LS1 5RX.

Hoggett Bowers
Executive Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD.

Financial Analyst

Aged under 27

Hertfordshire, c. £7,000

Our client is the UK subsidiary (t/o 100 million) one of the largest US manufacturers of fine chemicals. To strengthen their compact financial planning and problem-solving team they now require a young qualified chartered accountant of graduate calibre. They offer an effective exposure to sophisticated techniques in a manufacturing environment. The fringe benefits are excellent.

Mrs. Indira Brown, Ref: 19092/FT.

Male or female candidates should telephone in confidence for a Personal History Form to: LONDON: 01-734 6852, Sutherland House, 5/6 Argyl Street, W1E 6EZ.

Hoggett Bowers
Executive Selection Consultants
BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD.

SHEFFIELD STOCKBROKERS

have a vacancy for an

ANALYST

to join our expanding research, institutional sales and portfolio Management Team.

We can offer an attractive and interesting opportunity to a person who has had at least two years' experience in investment analysis. Knowledge of the engineering sector together with Stock Exchange practice would be an advantage.

The prospects are excellent for the right person, salary will be negotiable commensurate with experience.

Application in writing in confidence to:
Senior Partner, J. W. Nicholson & Sons,
P.O. Box 132, 13 Fargate, Sheffield S1 1LE.

FINANCIAL ANALYST

CITY

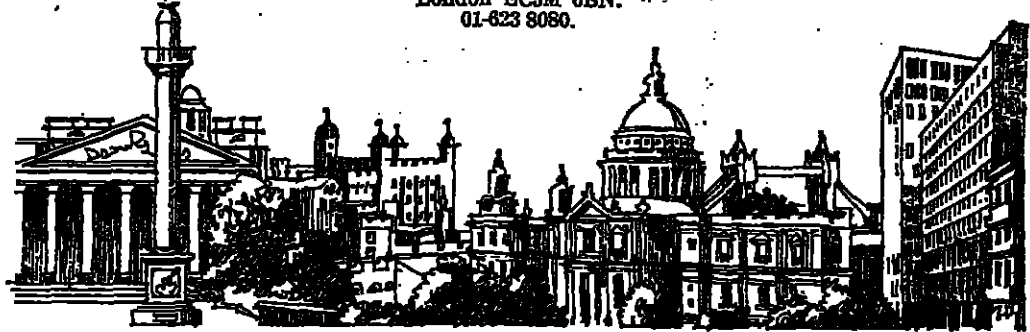
ATTRACTIVE SALARY + BONUS

Bland Payne Limited, a leading firm of international Lloyd's insurance brokers, has an opening for someone who has knowledge and skills in financial or investment analysis and would like to build on this experience in the City. Working as part of an enthusiastic team under the Financial Director, interpreting and making recommendations on a variety of financial matters, the successful applicant will require the ability to communicate successfully at a senior level and to accept increasing responsibility. We offer an attractive starting salary and excellent fringe benefits.

Please phone or write with full details to: Miss E. M. Edgerton, Personnel Manager,

Bland Payne Limited

Sackville House, 143/152 Fenchurch Street,
London EC3M 6BN.
01-323 8080.



Laurie, Milbank & Co

Members of The Stock Exchange

MONEY

An exceptional opportunity exists for a potential Partner in our Money Department. Candidates ideally would be aged about 30 with experience of sterling markets. They must have the personality and ability to handle money negotiations at the highest level.

Apply in confidence to:

A. P. Scott, Esq.,
Laurie, Milbank & Co.,
Portland House, 72/73 Basinghall Street,
London EC2 5DP

Assistant Company Secretary

for an international group which provides vital services to industry and householders; worldwide sales of £50m, half in the UK. Sales and profits have both doubled in the last five years and growth and diversification continue.

The Assistant Company Secretary is accountable to the Group Finance Director/Company Secretary for most of the secretarial activities and some financial responsibilities which together include insurance, pensions administration, price control, investments and exchange control.

Candidates preferably aged 28 to 35 should be ACIS or qualified accountants with secretarial experience now seeking greater scope and responsibility. Prospects for promotion to Company Secretary.

Salary negotiable around £8,000 plus car. Location Sussex.

Please send brief details, in confidence, ref. B.43548, to David Bennell, MSL, 17 Stratton Street, London W1X 6DB.

This appointment is open to men and women.

MSL SPECIALIST RECRUITMENT
CHARTERED SECRETARY

SERVICES OFFICER-BANKING

Age 35-50

£6,000+

Expanding International Bank seeks mature person to assume responsibility for all aspects of premises and services administration. Specific duties will include negotiations with suppliers in respect of purchasing and maintenance, control of stationery, printing, office equipment, catering and insurance. The successful applicant will also be expected to deal with all related correspondence and documentation. A banking background would be advantageous, and previous experience in the City is essential.

In the first instance, please telephone, in confidence, Rod Jordan

F/X SUPERVISOR

Age 22-25

£4,750

Unusual opportunity for young Banker to control section of active Settlements Dept. A minimum of 2 years' experience in F/X Back-up is essential, as is the ability to supervise staff.

Please telephone Brian Darham

If you are seeking to further your career in Banking, our Consultants would be only too pleased to discuss your requirements

CREDIT ANALYST

Age 24-26

£6,600

Rapidly expanding Bank in City requires ambitious young Banker with minimum of 2 years' Analysts training from within U.S. Bank. Superb prospects for early advancement. Fringe benefits include profit sharing.

Please telephone Mark Stevens

BANKING PERSONNEL
41/42 London Wall London EC2 Telephone: 01-588 0781

FINANCIAL ACCOUNTANT

Up to £9,000
London

Cinzano (UK) Ltd. is a subsidiary of Cinzano Internationale S.A. and is engaged in shipping, bottling and marketing wines in the U.K. The Company seeks a Financial Accountant to be based in London.

The Financial Accountant will report to the Group Financial Controller and will be responsible for preparing budgets, management accounts and financial accounts and for producing costing and other management information. He/she will also be responsible for the day-to-day running of the accounts department; a computerised accounting system is in operation.

Applicants must be qualified accountants with sound experience in industry or commerce. Salary will be negotiable up to £9,000 p.a.

Please write or telephone for an application form, quoting ref. SSI, to: W. L. Tait, Touche Ross & Co., Management Consultants, 4 London Wall Buildings, London EC4M 3UJ. Tel: 01-588 6644.



CINZANO

SOUTH OF SCOTLAND ELECTRICITY BOARD

CHIEF ENGINEER

The Board is looking for a fourth Chief Engineer to undertake a range of interesting and challenging duties.

The successful candidate will have management responsibility for a number of engineering services including safety, long term planning and common services for the control of large projects.

The central requirements for the post are drive and the intellectual quality to control a range of engineering activities, backed by achievement in senior engineering management. Experience in all the areas listed is not essential but responsibility for some or all of the operation of large power stations, nuclear engineering, will be an advantage.

The ability to lead negotiations with outside bodies and to guide the Board's case at public meetings is important.

Salary for the post will be not less than £13,500 per annum.



Please write to the Chairman,
South of Scotland Electricity
Board, Cathcart House,
Glasgow G44 4BE not later than
11th August, 1978.

Overseas Investment

Our expanding international team are seeking additional staff who can contribute some years' experience of investment in Wall Street.

Responsibilities include:

- ☐ Identifying potential investment opportunities,
- ☐ Establishing and maintaining contact with stockbrokers and companies,
- ☐ Producing written reports and liaising with management.

A competitive remuneration package will be offered.

Applications with curriculum vitae and details of present salary should be forwarded to:

D. Woodward, Personnel Manager,
County Bank Limited,
11 Old Broad Street, London, EC2N 1BB

County Bank

A member of the National Westminster Bank Group

ASSISTANT SYSTEMS AUDITOR

The diverse activities of the UDT Group of Companies include the provision of banking and financial services, as well as a variety of industrial interests.

Our well-established Group Inspectorate Department, based at our Head Office in the City, is responsible for the audit function within the Group.

We now wish to recruit a qualified or part qualified Accountant to carry out systems audits, principally within our banking and financial services companies. The work is mainly in London, with some travelling within the U.K.

We offer a fully competitive salary, based on qualifications and experience, and other benefits include non-contributory pension and life assurance, luncheon vouchers and, after qualifying service, mortgage subsidy and staff loan schemes. There will be opportunities to move on, in due course, to other posts within the Group.

Please write or telephone for an application form to:

Mr. K. J. Ridge,
Group Personnel Services Department,
United Dominions Trust Limited,
51 Eastcheap, London EC3P 3BU
Tel. 01-623 3020 ext. 85.



NEW YORK MEMBER FIRM

seeks young (20s) person as Account Executive in the London representative office to service U.K. institutional investment clientele, following training period in New York. University degree or accounting background preferable. Previous U.S. investment experience would be helpful.

Write only, stating age and details of background and career.

BROWN BROTHERS HARRIMAN & CO.,
Prince Rupert House, 84, Queen Street,
London EC4R 1AD.

مكتبة النجم

Jeddah

to £20,000 tax free

GROUP TREASURER

The Client A major Saudi owned group with largely expatriate management, expanding rapidly, and engaged in importing, distributing and selling private and commercial vehicles.

The Job A new post, based in Jeddah, reporting to the Vice-President of Finance, with responsibility for all aspects of cash management.

The Candidate Aged 25-35. Preferably a chartered accountant whose career to date has included at least 2 years with a medium to large sized group in industry or commerce. Experience of negotiations with banks, credit control procedures, negotiation and interpretation of contracts, and capital expenditure appraisal would be particularly appropriate.

The Package Starting salary at around the Rials equivalent of £20,000, including bonus. Car. Furnished air conditioned accommodation provided. Education allowance. 30 days' home leave per year.

Brief but comprehensive details of career, salary to date and marital status, which will be treated in confidence, should be sent to:

E. H. Simpson, The Executive Selection Division - SP740,
Coopers & Lybrand Associates Ltd., Management Consultants,
Shelley House, Noble Street, London, EC2V 7DQ.

Herts

up to £15,000 + car

FINANCIAL DIRECTOR

Our client, a well established and highly regarded mini computer manufacturer with a growing interest in the software market, is seeking a Financial Director to control all financial and accounting aspects of the company's operations.

Reporting to the Managing Director, the Financial Director will combine sound financial and commercial skills with the strength of personality to meet the demands of a fast changing business environment.

Candidates should be qualified accountants in their mid to late 30's who have several years' experience of financial and management accounting, more recently at a senior level in a fast developing, preferably high technology, industry. This background should be complemented by a good knowledge of data processing and accounting systems development and the ability to work well under pressure.

Remuneration negotiable up to £15,000 with car and particularly attractive fringe benefits.

Brief but comprehensive details of career and salary to date, which will be treated in confidence, should be sent to:

E. J. Robins, The Executive Selection Division - RF530,
Coopers & Lybrand Associates Ltd., Management Consultants,
Shelley House, Noble Street, London, EC2V 7DQ.

MONTAGU, LOEBL,
STANLEY & CO.
Equity Institutional
Department

Due to further expansion an attractive opportunity exists for a young experienced INSTITUTIONAL SALES EXECUTIVE to join the present team.

Salary will be negotiable according to experience.

Please reply in confidence to:

Mr. P. T. Baker,
Montagu, Loebel, Stanley & Co.,
31, Sun Street, London, E.C.2.
Tel: 01-377 9242.

Admin. Partner
(Designate)
Stock Broking
South West
c. £8,000

The job carries responsibility for the entire administration of a major independent firm of stock brokers. It calls for a person aged around 30-50 who can show substantial experience in business administration, including accounting, and who has a personal interest in the stocks and shares market, ideally gained by working in a stock broking firm.

Given the ability to manage this function, to develop client relationships and to pass the stock exchange examinations, it should lead to an early partnership.

The method of remuneration is open to negotiation over a very wide range. Generous assistance with removal expenses will be given to the right person.

Applications, which will be treated in strict confidence, should contain relevant details of career and salary progression, age, education and qualifications.

Please write to A. C. Crompton quoting reference 714/FT on both envelope and letter.

**Deloitte
Haskins + Sells**
Management Consultants

128 Queen Victoria Street, London EC4P 4JX

ROWE & PITMAN, HURST-BROWN

Insurance Shares—Investment Analyst

Rowe & Pitman, Hurst-Brown has a vacancy for a junior investment analyst in the insurance sector, where the firm has a long established specialisation.

Candidates will be expected to have had some experience of either investment analysis or the insurance industry.

An attractive remuneration package of salary and profit sharing bonus is offered, together with a non-contributory pension scheme incorporating good life cover.

Apply with full CV to:

P. N. Smith, Esq.,
Messrs. Rowe & Pitman, Hurst-Brown,
1st Floor, City Gate House,
39-45 Finsbury Square, London EC2A 1JA.

ACCOUNTANT
BERMUDA

Ref. No. 36731

Major Insurance Group requires a qualified CHARTERED ACCOUNTANT for their Bermuda office. Excellent conditions of service.

Age group approximately 27-35 years.

Salary \$18,000 p.a.

Please telephone in confidence.

EILEEN MILLER
I.P.S. Group
(Employment Consultants)
01-481 8111

Director
Planning & Administration

This new appointment will report to the Managing Director of a successful North Midlands £10m. plus turnover company which manufactures medium weight iron based industrial products. It is part of a major group, has a sound technological record and will shortly complete a capital programme of several £m's.

The job is to co-ordinate and direct a number of the Company's central management services including Financial Planning, Data Processing, Personnel and head office general administration. Candidates (male or female) need to be well versed in the financial appraisal of developments

(including acquisitions) and familiar with e.d.p. applications as a user. They will be graduates in a numerate discipline, with sound business training and several years' experience of the engineering industry where management controls are well developed. An accounting qualification is not envisaged. Preferred age 30-37.

Starting salary will be around £8,000 p.a. with company car and other benefits including removal help to a pleasant rural neighbourhood. Please write in confidence with brief relevant career details to H. C. Holmes, Bull, Holmes (Management) Ltd., 45 Albemarle Street, London W1X 3FE.

**Bull
Holmes**
PERSONNEL MANAGERS

Personnel Consultant/Director

c £16,000

WINDSOR

In order to meet our diversification and succession objectives we need another Director to service our International Clients. We tend to concentrate on recruitment, but this is not our only activity in the personnel function.

Candidates, around 40, must offer professional qualifications, a wide experience in Personnel Management at a senior level, and ideally an excellent record in Consultancy Assignments. The person appointed, would in due course share in the equity.

Please write briefly to Peter Barnett, F.I.P.M., M.I.M.C., Barnett Keel Ltd., Providence House, River Street, Windsor, Berks SL4 1QT. Tel: Windsor 57011.

Barnett Keel
MANAGEMENT SEARCH

MANAGER - Business Development
—International Finance House, Sal. c£9000

Our client, a respected financial City group specialising in the financing of international trade and represented in seventy different countries, has through recent reorganisation and expansion created an excellent and fairly unique career opportunity for a financially orientated executive. This is an interesting marketing opportunity involving visits to clients overseas, in order to analyse their business requirements and then structure a service to meet their demands.

We are seeking a young executive in his or her late twenties to early thirties who can represent this group at senior levels, relate to the needs of the clients' businesses and appreciate the importance of discretion, style and overall maturity required of the position. Clearly, financial knowledge relating to overseas trade is valuable and a second language desirable but this appointment will be made as much on personal qualities as on career background.

The successful candidate will be offered a negotiable salary of c. £9,000 and in addition will receive other executive benefits.



Please telephone or write in strictest confidence to:
Leslie M. Squires, Managing Director
Jonathan Wren City Ltd.
60 Cheapside, London EC2V 6AX. Telephone: 01-236 4441/2/3
(Recruitment Consultants)

Assistant Financial Controller

Surrey

c £7,500

For an international manufacturing company, a market leader in its own field, with turnover exceeding £500m.

This is an opportunity for a young, well-qualified accountant to realise potential in a rapidly expanding European Division.

You will apply your creative financial skills to:

- ★ computerised information systems
- ★ capital project appraisal
- ★ cost analysis
- ★ long range planning

Raising with Data Processing and Financial Management throughout Europe and the U.K.

The company will use your ability to the full, offering rapid promotion and exceptional career development.

Aged under 30, you will be a fully qualified Management Accountant or M.B.A. with finance specialism. Experience of computerised financial systems in a large industrial concern is desirable and business French would be a great advantage.

If you wish to develop your expertise in a dynamic business environment please contact:

Barbara Bailey, London (01) 235 7030. Ext. 210.

Applications from both men and women are welcome.

PER
Professional
& Executive
Recruitment

Accountants...

A future in property is
a wise investment

Rank City Wall Ltd., the property investment division of the Rank Organisation has interests in the U.K., Canada, Belgium and France. To complete its accounting team it has the following vacancies for experienced accountants in its Head Office in S.W.3.

U.K. Divisional Accountant c. £6,250

A qualified accountant aged 25-35 is required for this post. The principal responsibilities of the position are the production of management accounts for the U.K. division, the control of financial property records and computer master files.

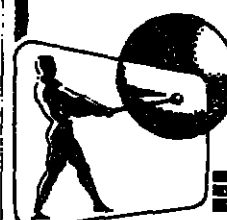
Financial Accountant c. £5,000

A part qualified accountant aged 25-35 is required for this post. The principal responsibilities of this position will be the supervision on a day to day basis of a small accounting function, the preparation of source information for the management accounts and assistance with tenant enquiries.

Candidates for either position should ideally have experience of computerised accounting systems and the ability to work under pressure to meet tight deadlines.

To apply please send brief details or telephone for an appointment form to:

Mrs. V. Apps, The Rank Organisation,
439-445 Godstone Road, Weybridge,
Surrey CB9 0YG.
Tel: Upper Warrington 3355.



**THE RANK
ORGANISATION**

CONTRACTS & TENDERS

REPUBLIQUE DE COTE D'IVOIRE

MINISTRE DES POSTES ET
TELECOMMUNICATIONS



Telecommunications Internationales de la Cote d'Ivoire
INTERNATIONAL INVITATION TO TENDER

INTELCI is launching an International Invitation to tender for the construction of a "Standard A INTEL SAT" aerial at the land-based station of AKAKRO.

Tender documents may be obtained from: Building INTELCI-CENTER—Avenue Thomasset—ABIDJAN-PLATEAU, against a payment of Frs. CFA 50,000 (for two copies).

Tenders should not be sent later than September 2, 1978—12 a.m.

EXHIBITIONS

SCULPTURE IN TIME at Asprey Exhibitions of Antique Furniture watches:
4-15 July, Mon-Fri, 9.30 a.m.-5.30 p.m.
Saturday, 9.30 a.m.-1.30 p.m. Asprey & Co. Ltd., 181/183, New Bond Street, London, W.1. Tel: 01-493 8167.

PERSONAL

QUEEN'S GATE MEWS S.W.7
FREEHOLD SPACIOUS FAMILY MEWS HOUSE IN QUIET COUNTRY
2716 Reception Room, 4 bedrooms, 2 Bathrooms, 2 Double Beds, 1 Single Bed, Shower-room/w.c. Bath-room/w.c. Recently redecorated throughout. £74,000 includes fixtures and fittings.
Ring 01-373 4483 Weekend or 01-436 8468 extn. 26 Office hours

CLUBS

EVE, 188, Regent Street, 734 0357. A la Carte or All-in Menu. Three Spectacular Floor Shows 10.45, 12.45 and 1.45 and music of Johnny Hawkesworth & Friends.
GARGOYLE, 85 Dean Street, London, W.1. NEW STRIPTEASE FLOORSHOW. This GREAT BRITISH STRIP Show at Midnight and 1 a.m. Mon-Fri. Closed Saturdays. 01-457 8455.
MICHELLE'S Cabaret Club, Superb food, 6, Ormond Yard, S.W.1. 930 2842.3. Dancing Partners.

PLANT AND
MACHINERY

GENERATORS

Over 400 sets in stock
1KVA-700KVA
Buy wisely from the manufacturers with full after sales service
CLARKE GROUP
01-986 8231
Telex 97784

TAX PLANNING
PARTNER

Manchester £10,000-£18,000

A large, well established office of a national firm of Chartered Accountants now seeks to recruit a Partner Designate to extend its range of tax planning and advisory services.

The structure of the Tax Department is such that the successful applicant could be either a young Tax Manager with potential or a Senior Tax Manager/Partner.

Personality and a creative approach are pre-requisites as the appointee, male or female, will operate in a consultative capacity advising partners, clients and staff on a wide range of tax planning services.

For further written information contact Jeremy Kidson or Trevor Atkinson ACA quoting reference 2150.

Taxation Division
Douglas Lombard Associates Ltd.
Accountancy & Management Recruitment Consultants
110 Strand, London WC2R 0NS. Tel: 01-493 8501.
121, St. Vincent Street, Glasgow G2 2HW. Tel: 041 226 2101.
3, Colston Place, Edinburgh EH3 2NA. Tel: 031 225 7744

LONDON BASED
INTERNATIONAL TRADER

Europe/Far East

£7,000+ (neg.)

We seek a first class 25-35 year old for an exciting opportunity with an International Merchants House offering really excellent career prospects.

Based in a most pleasant London office, trading in natural fibres, some overseas travel will be necessary and candidates MUST be FLUENT in FRENCH. (An additional language e.g. German an advantage.)

A background in trading, merchandising, finance or sales would be ideal but applicants possessing commercial acumen and with a successful career to date and who are capable of conducting business at a high level should apply now for an early interview. Quote ref. "VW."

Phone 01-828 7000 (24 hours) or write

TILBURN DAY ASSOCIATES
35/37 Grosvenor Gardens, London SW1

CORPORATE PLANNING
AGE 20s C. LONDON £7,000

A multinational industrial group wishes to strengthen a corporate planning team which appraises, inter alia, investment and acquisition proposals. Candidates should be either accountants with some post-qualification experience, or graduates with relevant experience in a City institution. Prospects are extensive throughout the group.

Nigel Halsey
Chichester House
Chichester Lane
Off Chancery Lane
London WC2 1RG
Telephone: 01-242 5775

**Career
plan**
LIMITED

QUALIFIED ACCOUNTANT
ADMINISTRATOR—CITY SOLICITORS

Rapidly expanding City firm of solicitors with a large UK and overseas practice require an Administrator to be responsible for office administration, cost and accounts department and computer terminal. Considerable responsibility will be placed on the successful applicant who should be a qualified accountant with management experience. Salary negotiable in the region of £15,000.

Please apply, in writing, to Neville Russell and Co. (Ref: DBN1. 30, Artillery Lane E1 7LT, giving details of age, qualifications, etc.

Accountancy/
Bookkeeping

Salaries £2,000-£8,000+

Free Lists

For a complete list of vacancies (free list) in the following areas: (1) Accounting & Bookkeeping (2) Taxation (3) Auditing (4) Finance (5) Management Accounting (6) Cost Accounting (7) Insurance (8) Investment (9) Real Estate (10) Other. Please send 10p to: The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

Part-qualified/Experienced: £1,000-£2,000-£5,000

The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

For a complete list of vacancies (free list) in the following areas: (1) Accounting & Bookkeeping (2) Taxation (3) Auditing (4) Finance (5) Management Accounting (6) Cost Accounting (7) Insurance (8) Investment (9) Real Estate (10) Other. Please send 10p to: The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

For a complete list of vacancies (free list) in the following areas: (1) Accounting & Bookkeeping (2) Taxation (3) Auditing (4) Finance (5) Management Accounting (6) Cost Accounting (7) Insurance (8) Investment (9) Real Estate (10) Other. Please send 10p to: The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

For a complete list of vacancies (free list) in the following areas: (1) Accounting & Bookkeeping (2) Taxation (3) Auditing (4) Finance (5) Management Accounting (6) Cost Accounting (7) Insurance (8) Investment (9) Real Estate (10) Other. Please send 10p to: The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

For a complete list of vacancies (free list) in the following areas: (1) Accounting & Bookkeeping (2) Taxation (3) Auditing (4) Finance (5) Management Accounting (6) Cost Accounting (7) Insurance (8) Investment (9) Real Estate (10) Other. Please send 10p to: The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

For a complete list of vacancies (free list) in the following areas: (1) Accounting & Bookkeeping (2) Taxation (3) Auditing (4) Finance (5) Management Accounting (6) Cost Accounting (7) Insurance (8) Investment (9) Real Estate (10) Other. Please send 10p to: The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

For a complete list of vacancies (free list) in the following areas: (1) Accounting & Bookkeeping (2) Taxation (3) Auditing (4) Finance (5) Management Accounting (6) Cost Accounting (7) Insurance (8) Investment (9) Real Estate (10) Other. Please send 10p to: The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

For a complete list of vacancies (free list) in the following areas: (1) Accounting & Bookkeeping (2) Taxation (3) Auditing (4) Finance (5) Management Accounting (6) Cost Accounting (7) Insurance (8) Investment (9) Real Estate (10) Other. Please send 10p to: The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

For a complete list of vacancies (free list) in the following areas: (1) Accounting & Bookkeeping (2) Taxation (3) Auditing (4) Finance (5) Management Accounting (6) Cost Accounting (7) Insurance (8) Investment (9) Real Estate (10) Other. Please send 10p to: The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

For a complete list of vacancies (free list) in the following areas: (1) Accounting & Bookkeeping (2) Taxation (3) Auditing (4) Finance (5) Management Accounting (6) Cost Accounting (7) Insurance (8) Investment (9) Real Estate (10) Other. Please send 10p to: The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

For a complete list of vacancies (free list) in the following areas: (1) Accounting & Bookkeeping (2) Taxation (3) Auditing (4) Finance (5) Management Accounting (6) Cost Accounting (7) Insurance (8) Investment (9) Real Estate (10) Other. Please send 10p to: The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

For a complete list of vacancies (free list) in the following areas: (1) Accounting & Bookkeeping (2) Taxation (3) Auditing (4) Finance (5) Management Accounting (6) Cost Accounting (7) Insurance (8) Investment (9) Real Estate (10) Other. Please send 10p to: The Professional Bookkeeping Society, 10, Bedford Square, London, W.C.1. Tel: 01-638 3833

THE CHANNEL ISLANDS

BY ROBIN MAXWELL-HYSLOP

Tax havens: the limitations to self-government

Nationale-Nederlanden
established at Delft



- Offer by way of rights of** 1 307 770 registered shares/bearer depositary receipts ("BDRs"), with warrants-1978, of Dfls 10 each, in denominations of 1x Dfls 10, 10x Dfls 10 and 100x Dfls 10, entitled to the dividends payable in respect of the financial year ending 31 December 1978 and subsequent years.
- at** Dfls 97.50
- Subscription** Open only to holders of preferential rights in respect of the presently registered outstanding shares/BDRs on the basis of 1 new registered share/BDR of Dfls 10 for every 10 registered shares/BDRs already held and for the holders of preferential rights in respect of the presently outstanding warrants on the basis of 1.1 new registered share/BDR of Dfls 10 for every warrant already held.
- Warrant - 1978** With every subscription on 20 registered shares/BDRs each subscriber receives one option-embodied in a warrant-1978-to purchase 10 BDRs Nationale-Nederlanden N.V. of Dfls 10 each, at a price of Dfls 125 per BDR.
- Rights coupon** Dividend coupon no. 34 of the registered shares and BDRs has been designated the rights coupon. In respect of the presently outstanding warrants, receipts nos. 1 and 2 are designated for obtaining Dfls 10 and Dfls 1 nominal value of new capital respectively.
- Dealing in rights** The Amsterdam Stock Exchange has ordered that the rights may be dealt in as from Monday 3 July 1978.
- Subscription** On Tuesday 11 July 1978 from 9 a.m. until 3 p.m. at the offices of the undersigned in Amsterdam, Rotterdam and The Hague, as applicable.
- Prospectus** Copies of the Prospectus in Dutch, subscription forms and copies of the abridged Prospectus in English are available at the above-mentioned offices of the undersigned.

Amsterdam, 29 June 1978.

ALGEMENE BANK NEDERLAND N.V. BANK MEES & HOPE NV AMSTERDAM-ROTTERDAM BANK N.V.

HOLLANDSCHE BANK-UNIE N.V.
BANK MORGAN LABOUCHERE N.V.
NEDERLANDSE CREDITBANK N.V.
NEDERLANDSCHE MIDDENSTANDSBANK N.V.
PIERSON, HELDRING & PIERSON N.V.
N.V. SLAVENBURG'S BANK
VAN DER HOOP, OFFERS & ZOON N.V.
COÖPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A.

IN SOME respects the Westminster Parliament has always claimed the right to legislate for situations external to Great Britain, for example, in the field of criminal law, piracy on the high seas anywhere outside British jurisdiction, and treason committed anywhere. It will be remembered that "Lord Haw-Haw," hanged for treason, was not a British subject, and his acts were committed in Germany; but at one stage he had employed a British passport, which event cost him his neck. In the civil field, adultery is not ignored in British family litigation because the act took place in Albania (or even, hypothetically, on the moon) rather than within the British Realm.

For Westminster to impose legislation, particularly tax legislation, on persons who were normally domiciled in the UK, but who have taken up tax-residence hopefully in the Channel Islands, constitutes no novelty of principle and no constitutional outrage. The same could not be said, however, were the Westminster Parliament to pass taxation laws applying to Channel Islanders native-born, since from time out of mind that has been a field reserved exclusively for self-government within the Channel Islands.

We must not forget, however, that the large degree of independence which the Channel Islands have possessed for so many centuries, and which they still possess, depends in the last analysis upon the continuing willingness of the UK Government and Parliament to respect the spirit of the special relationship. To do otherwise would, in extreme cases, place the Crown in a position of acute embarrassment, as well as generating widespread popular resentment within the two islands. This spirit of mutual tolerance and respect for traditional relationships should not, in turn, be placed in a condition of unaccustomed strain by abuse of the special status of the Channel Islands as a tax-haven for persons or enterprises who have no natural *locus standi* there. For abuse is the father of unreasonable response.

So complex are the relationships between the Channel Islands and the UK that it is presumptuous even to employ

the phrase "Channel Islands" except in a geographical sense. For constitutionally there are two distinct entities within that geographic term: the Bailiwick of Jersey (which exists, sui generis, with its own Lieutenant Governor, "States," and direct access to the Sovereign-in-Council), and the Bailiwick of Guernsey, also sui generis, with its own Lieutenant Governor, its own "States" (which, however, include within their constituency the islands of Herm, Jethou, Brechou and Lithou), plus Alderney and Sark.

Complex

Alderney, in turn, has its own "States," though in some respects the States of Guernsey can legislate for Alderney as well; Alderney sends two representatives to the States of Guernsey, by right. In Sark, the legislature is termed the "Chief Pleas," but the States of Guernsey can legislate in respect of criminal matters within Sark without the assent of the Chief Pleas, though on non-criminal matters the assent of the Chief Pleas must be given before legislation passed by the States of Guernsey is applied to Sark.

This web of legislative organs and inter-relationships is accompanied by a similarly complex and overlapping judicial system, independent of the British courts and not subject to review by them.

The dominant feature common to all the Channel Islands is the sovereignty of the Crown of England, as legitimate successor to the Duke of Normandy. But here we enter another area of arcane complexity, since it is as Queen of England, not as Queen of the United Kingdom of Great Britain and Northern Ireland, that the English Crown retains sovereignty over the Channel Islands.

To depart momentarily into the realm of hypothesis, it is arguable that should the UK be dissolved, and a separate republic or system of republics be created in its place, Elizabeth Windsor and her lawful issue would retain sovereignty over the Channel Islands.

When we turn to the ability of the UK Parliament at Whitehall to legislate for the Channel Islands, we must distinguish between the legal process of enactment, the power to en-

force compliance, and constitutional propriety enshrined in custom and accepted practice.

Without doubt the UK Parliament can pass Bills, which would in the normal course of events receive the Royal Assent and become valid UK law, which purport to alter the law within the Channel Islands. It is equally clear that, since the UK is responsible for the defence of the Channel Islands, and possesses mobile armed forces, it could in extremis force its will upon the Channel Islands. Nor, in international law, could the Channel Islands (not being sovereign states) enter into defensive alliances with other powerful states to forestall such action by Britain.

It is certain also that while the UK could undoubtedly pass a Bill repealing Australian or Canadian Independence, it would have the greatest conceivable difficulty in securing the enforcement of such legislation, even supposing that the Queen of Canada and the Queen of Australia, acting on the constitutionally given advice of the Prime Minister of each of those countries, did not decide to refuse the Royal Assent to such a Bill. So we have two classes of UK enactment: the enforceable and the unenforceable.

Improper

There is also a third category of legislation, arguably, namely the category of constitutionally outrageous or improper legislation. For instance, when the power of the House of Lords to delay legislation passed by the Commons was curtailed by the Parliament Act of 1911, there was specifically excluded from this curtailment any legislation passed by the Commons the effect of which would have been to extend the maximum life of a Parliament beyond the span of five years. The object of this exclusion was to avoid this class of potentially improper legislation passing unchallenged.

This is the area in which discussion must centre as to the propriety (not the power) of the British Parliament to legislate for the Channel Islands on matters or within spheres in-

terdicted by custom and practice.

An Act of the UK Parliament only applies to the Channel Islands if, within its text it is specifically stated that it so applies, or if it applies to all Her Majesty's dominions, or if the contents of the Act necessarily implies application to the Channel Islands. When it is desired to extend to the Channel Islands a UK Act's provisions, this is more often achieved by including within the Act a provision empowering such extension, suitably modified to accommodate the special circumstances of the Channel Islands, to be made by Order in Council. Though doubtless the Home Office consults both Bailiwicks before the final drafting of the Order in Council concerned, there is no joint organ of the two Bailiwicks or consultation has therefore to be a more protracted process than would be the case were the enforcement of such legislation, even supposing that the UK Government could legislate legally, if reprehensibly, applying to the Channel Islands which is contrary to their interest, and without their agreement.

When the entry of Great Britain into the EEC was negotiated the status after entry, and effect of membership upon the Islands, was the source of much apprehension. What emerged eventually was a very major "derogation" from the normal EEC rules, which is to be found within Protocol 3 to the Act of Accession. The most important aspects of this derogation was exclusion from the Common Agricultural Policy, from the common taxation provisions, and from the EEC rules covering the free movement of persons and services. In achieving for the Channel Islands this derogation, the UK mitigated the probability of the European Commission securing the practical ability to govern by regulation a wide spectrum of matters which fall outside the range for which it has been considered constitutionally acceptable for the UK Parliament to legislate for the Channel Islands.

Robin Maxwell-Hyslop is Conservative MP for the Tiverton division of Devon.

A source of energy that will last for 300 years.

At the present rate of production, Britain has proved coal reserves which will last at least 300 years.

This puts Britain's Coal Industry in a strong position alongside strictly limited oil and gas supplies, and the continuing development of nuclear power. With this assured energy supply, based on coal, British Industry can plan ahead with confidence.

The benefits of being the EEC's biggest coal producer.

Britain already has the biggest mining industry in the Community, producing as much coal as the rest of the EEC put together. To replace Britain's present coal output with imported oil would worsen Britain's balance of payments by £5,000m a year. This makes coal good for Britain as a whole.

Vast modernisation programme.

To ensure that these huge reserves are available when needed the NCB, under its "Plan for Coal", is already investing heavily in developing new collieries and in expanding existing pits.

We are still proving coal reserves in Britain four times as fast as we are using them. Selby, the biggest new coal project, will produce 10 million tons of coal a year. This and other new mines are keeping British coal-mining in the forefront of mining technology.

Ever heard of a fluidised bed?

Britain is also taking a lead in the technology of using coal. Fluidised bed combustion is a new method of burning coal in industrial plant. These boilers should cost less than conventional plant and need less space. This method, in which coal is burnt in a bed of ash

or sand and which is 'fluidised' by passing air through it, offers substantial advantages to those considering new industrial boiler plant.

New ways to keep coal on the move.

There have also been spectacular advances in coal and ash handling techniques. For example, compressed air is now being used to push coal through a pipeline from bunker to boiler and ash from boiler to storage silo. The system is completely enclosed and dust free, silent running, needs little maintenance and is cheap and simple to install.

Problem-solving is our business.

Coal benefits all sorts of customers. With District Heating, coal fired plant supplies heating and hot water to whole communities. Individual users, from the biggest power station to quite small industrial plants and individual homes, can benefit from the new knowledge and equipment on coal burning.

There's an enormous amount of know-how concentrated in the NCB Technical Service, covering all aspects of the efficient use of steam and hot water heating. If you need advice on making the best use of your existing plant, information on new equipment and techniques, how much new equipment costs and what savings it can give, ask the NCB or your Industrial Fuel Distributor. Expert help is available.

The NCB has a new brochure which tells what coal has to offer you now and in the future. There are also new technical booklets dealing in more detail with all designs of industrial coal-fired boiler houses.

If you would like copies, or would like a technical expert to talk over your heating needs, write to National Coal Board, Marketing Dept., Hobart House, Grosvenor Place, London SW1X 7AE, or ring 01-235 2020.

Doing Britain and British Industry a power of good.

NCB


سكان الدول

The Marketing Scene

EDITED BY MICHAEL THOMPSON-NOEL

15

Yes, but what does advertising do?

Even top marketers seem confused about the role and effectiveness of advertising. Nor can they agree on the most important single quality to be sought in an ad agency.

MICHAEL THOMPSON-NOEL describes a new report

ASKED TO EXPLAIN why he continued to advertise his extraordinary range of chewing gum so heavily and so heroically, Philip Wrigley replied: "Once you get the plane up in the air, you don't shut off the propellers." It was a neat enough aphorism, as aphorisms go, yet like most attempts to get to grips with the soul of advertising, to try to grasp precisely what it does, let alone how it does it, the remark reflected much of the magnificent uncertainty with which advertising and the advertising business is dogged.

It doesn't take a Theodore Levitt to point out that products don't sell themselves, that they need to be baited and enticed, that they need to be sold. The value and effectiveness of advertising are notoriously difficult. According to Jeremy Bullmore of J. Walter Thompson: "The almost infinite number of different users, uses, aims, purposes, motives, audiences, media and methods makes the question 'What is advertising?' peculiarly difficult to answer."

According to a survey conducted over the past year on behalf of the advertising agency Wood, Brigdale and Company, some of the greatest confusion over advertising is to be found in the ranks of the very men who commission and pay for it: the marketing professionals themselves.

According to the report's author, John W. Wood, chairman and joint managing director of Wood, Brigdale and Company, some of the greatest confusion over advertising is to be found in the ranks of the very men who commission and pay for it: the marketing professionals themselves.

According to the report's author, John W. Wood, chairman and joint managing director of Wood, Brigdale and Company, some of the greatest confusion over advertising is to be found in the ranks of the very men who commission and pay for it: the marketing professionals themselves.

According to the report's author, John W. Wood, chairman and joint managing director of Wood, Brigdale and Company, some of the greatest confusion over advertising is to be found in the ranks of the very men who commission and pay for it: the marketing professionals themselves.

Among the main findings of the report were these:

● Only five of 50 respondents considered advertising to be vital to marketing, while more than half (27) judged it as not very important.

● Of the 35 blue chip British companies, virtually four-fifths thought that advertising's key function was to accomplish tasks other than selling. Only a fifth thought that its prime function was to sell. Among the four-fifths there was little agreement as to the central role of advertising. Eight thought it was to hold consumers' interests, four that it was to keep in touch with consumers, two that it was to encourage distribution.

● The notion of advertising "creativity" was found to mean virtually all things to all men. The most agreed description was "An ability to produce memorable advertising." This view was held by 21 respondents, but there was wide disagreement about the memorability of any particular campaign.

● Return on investment seems simply not to be a factor in assessing advertising. Only three of the 50 put "value for money" as the most important quality they looked for in an agency's advertising. This was consistent with the fact that none of the respondents listed the ability to sell products as an important skill for an advertising agency to possess. Only one respondent thought creativity could be linked to sales results.

● Size is generally discounted as a key factor in agency assessment. Of the 50 respon-

dents, 15 thought size totally irrelevant when assessing an agency's potential. Of those to whom size did matter, nine preferred large agencies, seven preferred small to medium-sized shops.

● There is major disagreement over the value of agency presentations. Six respondents judged presentations to be of little or no value; only five thought them vital; seven considered them an unfortunate necessity.

● As would be expected from the almost complete generality of the word "creative," the 50 respondents suggested 37 separate agencies as being a "main creative agency." Companies most often mentioned were JWT (14 mentions), Collett, Dickenson, Pearce (12) and Saatchi and Saatchi (10).

● There is little agreement as to which agencies are up-and-coming. The company with the most support, Saatchi's, was mentioned by only 10 of the respondents, followed by Allen, Brady and Marsh (6), and CDP and Boase Massimi Pollitt Univas (5). A total of 28 companies were mentioned in this context.

● There is a relatively large (though still minority) measure of agreement concerning which agencies are considered to be top when defined as a mixture of size, creativity and overall capability. The winners here were JWT and Masius.

● Finally, are agencies regarded by their clients as parasites? According to the report: "This question, hallowed pejorative concerning advertising was found to be running out of support." Fourteen respondents considered the assertion that agencies were parasitic and living off the fat of the land as "no longer true"; 11 thought the statement had never been true; a further 11 thought the assertion probably held more than a grain of truth.

The survey was carried out for Wood, Brigdale by Davis Ives Associates and involved depth interviews with 50 marketing executives representing 35 major U.K. advertisers. Industries represented included food, drink, cosmetics and toiletries, pharmaceuticals, household products, tobacco, durables, insurance, banking and the motor industry. Of the 35 companies, 11 have a turnover in excess of £10m, 13 a turnover of £10m to £10m; only seven a turnover of less than £5m.

The respondents, according to Wood, Brigdale, ranged from senior brand managers to managing directors. The broad middle segment was comprised of marketing directors. Three-quarters of them are said to have direct responsibility for advertising budgets and most of them are reported to exercise direct influence in the choosing of their companies' agencies. The 35 companies in the sample represented 103 advertising accounts spread among 49 agencies, including the leading 18 in the current top billings list.

Wood, Brigdale says it would have liked to poll a larger number of top marketers. But John Wood says the survey produced a remarkably consistent response pattern.

According to his report: "We sought to determine the most vital element of marketing generally and we sought to determine the importance of advertising to marketing specifically. The findings are notable for two reasons. First, they reveal an almost complete lack of agreement as to the most important element of marketing. Second, they reveal a surprisingly low level of agreement as to the importance of advertising."

Remarkably, that advertising frequently accounts for at least 50 per cent of the total marketing budget, Mr. Wood says that to find that advertising is considered to be the most vital element in marketing by less than a quarter of his respondents is to be faced with the possibility that perhaps it should be argued that typical advertising expenditures are too high.

"Much of the confusion seems to derive from the opinion of advertising, evident among



marketing professionals, as a discipline responsible chiefly for producing a constant payout of images, memories and associations rather than a concrete payout of sales.

One of the most vexed of the many questions raised or at least revived by this report is the question of return on advertising investment. According to the report: "Value-consciousness in terms of return on investment was not a factor among marketing professionals when assessing either advertising or advertising agencies. This is particularly interesting in view of the popular assumption that whereas both advertisers and agencies may not have been sufficiently budget-conscious in the profligate Sixties, the exigencies of the Seventies had made both more subject to and responsible to financial accountability. This appears not to be the case, at least in so far as marketing executives' expectations from advertising are concerned."

"No respondent mentioned value for money as an important criterion by which to judge an advertising company. However, when asked specifically to consider value for money two respondents placed it first. This is consistent with other findings from the survey demonstrating a low expectation of actual return from advertising. It is important to distinguish between two sorts of value for money in relation to advertising. The first is the price paid for services and the production of advertisements, versus expected return. The second is the amount spent on whole campaigns, versus expected return. There is evidence that while both receive scrutiny, the scrutiny is generally not related to expected return in any but the most vague sense."

"There is evidence, too, that the former receives more scrutiny than the latter. Certainly if there is little agreement as to what return can be expected from advertising then it is clearly impossible to determine whether or not value per pound has been achieved. The pervasive selling seems to be that advertising is good value if agreed budgets are not exceeded and the advertiser judges himself pleased with the work and service provided."

This is a provocative report. Why did John Wood commission it, for its publication is unlikely to endear himself to some of his ostensible colleagues? His agency bills £2m and includes Princes Buitoni, Smith and Nephew, Cadbury Schweppes and the First National Bank of Boston on its client list.

"I had two motives," he said last night. "The first was selfish: I really did want to know what was important to managing directors and marketing companies. Second, and much more important, my own industry gives every appearance of the greatest sophistication. We have highly advanced techniques at our disposal for researching the value and effectiveness of the work we do and yet the people who finance these techniques make very little use of them to examine the sort of questions we have tried to cover. I hope this report helps contribute towards a more disciplined approach to understanding the uses and impact and sales effectiveness of advertising. Anyone can compose a jingle along the lines that advertising equals profit equals prosperity. What we've got to do is prove it."

The Instrument of Advertising, Wood, Brigdale and Company, £26, Kent House, Market Place, London, W.1 01-636 3153.

McVitie's £20m bite

NEXT TIME you crunch into a McVitie's Digestive you may like to know you're biting into what this year will become one of only two £20m UK biscuit brands, the other being McVitie's Chocolate Homewheat.

According to a new study by UB (Biscuit Union), the digestive is one of those relatively rare food sectors currently enjoying real growth. Its own McVitie's brand alone generating 5 per cent of grocers' total biscuit sales—8m are eaten every day.

Between 1973 and last year, says UB, packet sales of digestives grew from 84m a year to £500,000 via Masius on national TV and women's magazine advertising. UB will also back the year's projected volume increase between 12 and 13 per cent. Over the same four-year period the sterling value of the digestive biscuit market has increased by nearly 300 per cent so that this year further growth is expected.

to boost the sector to more than £20m at rtp through grocers. This makes the digestive more valuable than many other basic grocery markets, including wheat and spreads (£24m rtp via grocers last year), toothpastes (£22m), instant potato (£20m), packet soups (£19m), instant milk (£15m) or baby foods (£9.5m).

UB says the McVitie's Digestive accounts for more than 65 per cent of grocery sales in its sector and that to promote further growth this year it is significantly increasing its level of support, spending well over £200,000 via Masius on national TV and women's magazine advertising. UB will also back the year's projected volume increase between 12 and 13 per cent. Over the same four-year period the sterling value of the digestive biscuit market has increased by nearly 300 per cent so that this year further growth is expected.

The enthusiasm of UB knows

no bounds. In support of its brand it offers tailor-made promotional stressing the digestive's claimed versatility—linking it with peaches and cream, leading branded cheeses—even marmalade.

IPC spending £1.6m this autumn

IPC MAGAZINES will spend £1.6m-plus on autumn promotion for its women's weeklies and monthlies. Leisure interest magazines, £174,000, four-weekly £220,000, practical publications include a new magazine, Soccer, to complement Shoot, and first-time use of TV for Honey and 19. There is also a raft of cover-mounted give-aways plus TV, Press and radio support.

The graph for sales of the big four—Woman, Woman's Own, Woman's Realm and Woman's Weekly—between January-June shows a healthy rise towards an aggregate 5.4m, with Woman's Own reaching for 1.6m and Woman approaching 1.55m. The

weeklies will get £760,000 of support, the major monthlies £231,000, young women's interest magazines £174,000, four-weekly £220,000, practical publications £75,000 and the leisure sector £100,000.

Of equal interest to the trade will be an "Index of Performance" to be sent out for the first time which includes targets set by IPC. Pat Barnes, circulation director, reckons this is possibly the most detailed measuring device in the publishing trade. It gives the wholesalers a run-down by region, town or group of what the house has achieved since September, 1977.

Viewers can talk back

THE LATEST in two-way TV research systems reported from the U.S. is designed to allow consumers to talk back, as it were, to advertisers or agencies or even politicians or programmers come to that.

The system is being marketed by R. D. Percy of Seattle. Each time a viewer wants to react he pushes one of six buttons on a desk-top terminal which represents a good-to-bad range of responses. Viewers can also simply cut ads off the screen.

The computer monitors each home continuously and a display shows whether a TV set is on, what channel is being watched and whether one of the buttons is being pushed. The information is instantly available to clients at the computer centre.

Roger D. Percy, formerly with McCann-Erickson, is the creator of the system and counts General Foods and Sears Roebuck among his clients.

Percy undertook a study for Seattle City Light to find out how interested the public was in the energy question. President Carter got high ratings for comments on solar energy and insulating homes; when he called for more competition between the oil companies he got an 88 per cent approval on the Percy score board.

At this stage Percy is only using 35 Seattle families but he is planning to raise the figure to 200 and extend the number of response buttons to ten.

Smurfs take over

YOU LOVE THEM or you loathe them. Either way, the Smurfs are rapidly consolidating their reputation as one of the most timely, most successful retail promotions of recent years. Smurfs? They're National Benzole's little blue men, a range of Disneyesque characters which made their bow on May 20 and have since made remarkable progress towards meeting two of their prime objectives.

The first is to cheer things up on petrol forecourts to help dispel some of the unbearable earnestness of the petrol price war. The second is to bolster retailer profits via the sale of Smurf merchandise which includes Smurf figurines (minimum recommended retail price: 38p), play sets (£1.40), T-shirts (£1.43 to £1.75) and sew-on badges (28p).

Ben Earl, National's promotion and advertising manager, says £1m worth of Smurf merchandise has already been moved. At present, out of a total of 2,100 National Benzole retailers in England and Wales, the promotion is being handled by approximately 1,250 who between them account for 85 per cent of National's volume sales. The majority are said to be selling upwards of £200 worth of Smurfandise a week at a probable margin of around 15 per cent (some are charging more), giving them at least £30 a week in extra profits.

One customer in the West Country bought £18 worth of Smurfs in a single swoop. Re-orders are now rolling in, some at £700-plus a time. As a helpful boost, the Smurf song, the rights to which are owned by Decca, not National, is at No. 2 in the hit parade, justifying John Travolta and Olivia Newton-John at No. 1.

"We reckon that a National dealer with Smurfs can sell his petrol at a 1p a gallon more than the neighbourhood opposition without any loss of volume," says Mr. Earl. "At price parity his Smurfs should definitely put him on sales though. The main aim is to increase the retailer's profitability. Four-fifths of National dealers are independents. There are no company-owned sites at all so we can't dictate to our dealers. We can only persuade."

At the start of the year, more figurines, posters, children's books, mugs, carrier bags, the retail pecking order. National had 5.3 per cent of UK petrol sales, putting it sixth in the background to Smurfs is the slump state of petrol retailing. market characterised by excess

supply, fierce price-cutting and exceedingly cramped profits for retailer and supplier.

The market this year should total 4.5m gallons worth £3.85m —a far cry from the 6m gallons or so expected by the oil companies in the early 1970's before the oil crisis and its aftermath of doubled petrol prices, the start of the trend towards smaller-engined cars and heightened consumer interest in mpg.

Although the market is now perking up slowly, this year's volume sales are expected to show a 1.5 to 2 per cent gain on '77—the excess supply situation will persist for several years.

The National brand has been more vulnerable than most. In 1965 National Benzole had 4,300 sites. By the early 1970's this had fallen to 3,500, mainly via natural wastage. In 1972, at the split up of Shellchem and BP (National going to BP), Shell took over a further 1,300 National sites so that in eight years National's outlets were effectively halved.

At the start of this year National told Len Burnett, its advertising agency for the past 59 years, that it had bought the UK rights to the Smurfs. The Smurfs had already scored some promotional success for BP in Holland.

"At a time when Esso and Shell were running campaigns whose key selling point was the sheer size and scope of their organisations," says National, "there was clearly an opportunity for the more personal touch." As a result, the target audience for 550,000 worth of Smurf merchandise advertising this year is 17-24-year-olds, motorists with children and National Benzole dealers themselves.

The campaign aims to stress the friendly and helpful service motorists are assured they will get at National stations. The slogan: "Service with a Smurf." In all, the Smurf promotional package is costing £1m this year. National says it is the most it has ever spent (in real terms) in such a space of time.

There is also plenty of local advertising in progress, with Burnett supplying local Press layouts and radio tapes. The production costs are free and National will provide 50 per cent of the tab. National's dealers have been told that a whole range of follow-up Smurf merchandise is in production:

books, mugs, carrier bags, the retail pecking order. National had 5.3 per cent of UK petrol sales, putting it sixth in the background to Smurfs is the slump state of petrol retailing. market characterised by excess

NOTICE OF REDEMPTION

To the Holders of

ENTE NAZIONALE IDROCARBURI

E.N.I.

(National Hydrocarbons Authority)

6% Sinking Fund Debentures due February 1, 1981

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Sinking Fund for the Debentures of the above-described issue, Morgan Guaranty Trust Company of New York, as Fiscal Agent, has selected by lot for redemption on August 1, 1978 at the principal amount thereof \$1,064,000 principal amount of said Debentures bearing the following serial numbers:

DEBENTURES OF U.S. \$1,000 EACH

M-44	728	1481	2092	3078	4813	5854	7108	7871	9474	13425	14138	15448	18945	17619	19595
1	27	729	1482	2093	4814	5855	7109	7872	9475	13426	14139	15449	18946	17620	19596
2	28	730	1483	2094	4815	5856	7110	7873	9476	13427	14140	15450	18947	17621	19597
3	29	731	1484	2095	4816	5857	7111	7874	9477	13428	14141	15451	18948	17622	19598
4	30	732	1485	2096	4817	5858	7112	7875	9478	13429	14142	15452	18949	17623	19599
5	31	733	1486	2097	4818	5859	7113	7876	9479	13430	14143	15453	18950	17624	19600
6	32	734	1487	2098	4819	5860	7114	7877	9480	13431	14144	15454	18951	17625	19601
7	33	735	1488	2099	4820	5861	7115	7878	9481	13432	14145	15455	18952	17626	19602
8	34	736	1489	2100	4821	5862	7116	7879	9482	13433	14146	15456	18953	17627	19603
9	35	737	1490	2101	4822	5863	7117	7880	9483	13434	14147	15457	18954	17628	19604
10	36	738	1491	2102	4823	5864	7118	7881	9484	13435	14148	15458	18955	17629	19605
11	37	739	1492	2103	4824	5865	7119	7882	9485	13436	14149	15459	18956	17630	19606
12	38	740	1493	2104	4825	5866	7120	7883	9486	13437	14150	15460	18957	17631	19607
13	39	741	1494	2105	4826	5867	7121	7884	9487	13438	14151	15461	18958	17632	19608
14	40	742	1495	2106	4827	5868	7122	7885	9488	13439	14152	15462	18959	17633	19609
15	41	743	1496	2107	4828	5869	7123	7886	9489	13440	14153	15463	18960	17634	19610
16	42	744	1497	2108	4829	5870	7124	7887	9490	13441	14154	15464	18961	17635	19611
17	43	745	1498	2109	4830	5871	7125	7888	9491	13442	14155	15465	18962	17636	19612
18	44	746	1499	2110	4831	5872	7126	7889	9492	13443	14156	15466	18963	17637	19613
19	45	747	1500	2111	4832	5873	7127	7890	9493	13444	14157	15467	18964	17638	19614
20	46	748	1501	2112	4833	5874	7128	7891	9494	13445	14158	15468	18965	17639	19615
21	47	749	1502	2113	4834	5875	7129	7892	9495	13446	14159	15469	18966	17640	19616
22	48	750	1503	2114	4835	5876	7130	7893	9496	13447	14160	15470	18967	17641	19617
23	49	751	1504	2115	4836	5877	7131	7894	9497	13448	14161	15471	18968	17642	19618
24	50	752	1505	2116	4837	5878	7132	7895	9498	13449	14162	15472	18969	17643	19619
25	51	753	1506	2117	4838	5879	7133	7896	9499	13450	14163	15473	18970	17644	19620
26	52	754	1507	2118	4839	5880	7134	7897	9500	13451	14164	15474	18971	17645	19621
27	53	755	1508	2119	4840	5881	7135	7898	9501	13452	14165	15475	18972	17646	19622
28	54	756	1509	2120	4841	5882	7136	7899	9502	13453	14166	15476	18973	17647	19623
29	55	757	1510	2121	4842	5883	7137	7900	9503	13454	14167	15477	18974	17648	19624
30	56	758	1511	2122	4843	5884	7138	7901	9504	13455	14168	15478	18975	17649	19625
31	57	759	1512	2123	4844	5885	7139	7902	9505	13456	14169	15479	18976	17650	19626
32	58	760	1513	2124	4845	5886	7140	7903	9506	13457	14170	15480	18977	17651	19627
33	59	761	1514	2125	4846	5887	7141	7904	9507	13458	14171	15481	18978	17652	19628
34	60	762	1515	2126	4847	5888	7142	7905	9508	13459	14172	15482	18979	17653	19629

ladler's Wells

Alwin Nikolais by CLEMENT CRISP

The return of Alwin Nikolais to London after an absence of seven years brings back the ticks of a master conjurer with light and movement. With Nikolais it is often a matter of believing what you seem to see, as bodies dissolve, and shapes merge and split like so many highly coloured amoebae. This is where the Nikolais magic is most potent, and so it roved in the concluding work of his first programme at the Wells on Tuesday. The earlier art of the evening was rather plainer stuff, comprising two pieces which revealed the choreography rather than concealing it beneath patterns and shifts of light.

In both *Temple* and *Guignol* he insistence seems to be upon wirily gymnastic movement and a good deal of egregious harm from a cast of nine. *Temple* is brief; *Guignol* lengthy in exploring the idea of various kinds of lay figure, model and puppet—its subtitle is *Dummy Dances*. At moments the dancers appear as madly gay window-dressers manipulating mannequins at others they are puppets, clowns, and wooden artist's figures. There are hints of drama, but unlike the Bun-aku sequence in MacMillan's *Humana*, there is no tension or development to the incidents and an omnipresent vulgarity makes many of the effects look cheap. Only in the closing section, when each dancer is lashed with a life-size model, does the action move into that area of illusion and eye-contra-ception which is very specially Nikolais' own.



Guignol (Dummy Dances)

Leonard Burt

This is the territory, happily, in which the closing *Triad* is placed. The setting is three mirrored doorways, which lead into a world of kaleidoscopic mystery. The constantly melting patterns that Nikolais projects over the performing area, the masterly camouflage wherein bodies lose their shape or limbs take on an independent life, are a continuing tease for the eye.

Choreography is simple, a single ingredient in a complex structure of light and shadow, colour and illusions of form. For the most part the dynamics are flat, a progression of movement no more compelling than shadows moving across a screen; a closing passage played under the eye-numbing flicker of strobe lighting is a final burst of the magician's virtuosity as the dancers jerk in single-frame sequences carrying large metal triangles and passing in and out of the mirrored doorways.

Nikolais' theatre is one in which visual sensation is all. The accompanying scores—like everything else, devised by Nikolais—are electronic wall-paper, save for an extemporised jazz accompaniment to *Guignol* by the Paul Winter Consort. Supremely it suggests the vast possibilities of light, which even after 25 years example only Nikolais seems capable of understanding and using for our delight.

Record Review

Two second operas by ELIZABETH FORBES

Puccini Edgar: Scott, Killebrew, Bergonzi, Sardinero; Schola Cantorum, Opera Orchestra of New York/Queler. CBS 79213 (two records), £8.79.

Nielsen Maskerade: Brodersen, Ryldgaard, Plesner, Landy, Schmidt Johansen, Hansen, Danish Radio Symphony Orchestra and Chorus/Frandsen, Unicorn RRS 350/2 (three records), £11.97.

Edgar, Puccini's second opera, is a work for which the gramophone in general and the long-playing record in particular could have been expressly invented. The preposterousness of Ferdinand Fontana's libretto, derived from Alfred de Musset's *La Coupe et les lèvres*, a verse drama intended not for the stage but for the library, is diluted by recording; while Puccini's score, which contains many passages fascinating in themselves as well as many more prophetic of the glories to come, rivets the listener's attention. The musical characterisation, already masterly, provides the dramatic stiffening so conspicuously absent from the text. The relative failure of the first performance of *Edgar* at La Scala on April 21, 1889, despite a strong cast that included Romilda Pantalone (two years previously Desdemona in the premiere of Verdi's *Otello*) as the villainous Tigrana, was a bitter blow to Puccini, then in his 31st year. But his patron the publisher Giulio Ricordi did not desert him and continued to pay the composer a monthly allowance. At Ricordi's insistence Puccini reduced the original four acts of *Edgar* to three, and the revised version was given at Ferrara in February 1892; later that year Francesco Tamagno, whom Puccini had vainly hoped would create the title role at La Scala,

was persuaded to sing Edgar in Madrid; but even he could not achieve success for the opera.

Eve Queler, conducting the Opera Orchestra of New York on the CBS recording, uses the revised, three-act version, which severely curtails the role of Tigrana, while leaving that of Fidelia, the heroine, practically untouched. Fidelia's gentle, steadfast character is immediately established by her opening number, an aubade, first heard off-stage, with which she wakes the sleeping Edgar. Renata Scott phrases this, as she phrases all Fidelia's music, with an ideal mixture of tenderness and restrained but genuine passion. In the third act where Edgar, disguised as a monk, plays devil's advocate at his own funeral, it is Fidelia alone who defends the young man, and

and in staging his own funeral, suggest a pathological case. Carlo Bergonzi, skilful at illuminating the murkier corners of a diseased imagination—witness his Carlo Moor on the Philips recording of *I masnadieri*—sings Edgar's introspective monologue "Orgia chimera dall'occhio vitreo" with particular insight.

In the scene where Edgar and Frank (Vicente Sardinero), once his rival in love, later his companion in arms, tempt the apparently broken-hearted and repentant Tigrana with a pearl necklace, Bergonzi subtly points the dramatic irony of the situation. The funeral march—conducted by Toscanini at Puccini's own funeral—is impressively played by the orchestra while the Schola Cantorum of New York sing the Requiem with similar accomplishment. Eve Queler, paces the work leisurely but does not allow the tension to drop and builds up the big ensembles with a nice architectural sense. The recording, made at a public concert, is perfectly adequate.

Carl Nielsen's *Maskerade* is also a second opera, but there the analogy with *Edgar* ceases; the composer of the latter work, a master of the theatre if ever there was one, went on to write another 10 operas, three of which remain among the most popular ever written. Nielsen composed no more operas, though *Maskerade*, based on a comedy by the Danish Dase dramatist Ludvig Holberg dating from 1724, scored a respectable success on its first performance in Copenhagen (November 11, 1906) and is in the repertoire there today. Vilhelm Andersen, Nielsen's librettist, was taken to task for rewriting virtually all of Holberg's dialogue, but the composer took his inspiration from

the subject of the play, not from its form.

The plot is simple: Leander (tenor) disobeys the orders of his father Jeronimus (bass) and together with his valet Henrik (baritone) attends a masquerade to meet the unknown girl with whom he has fallen in love. She turns out to be Leonora (soprano), daughter of Jeronimus's friend Leonard (baritone), and Leander's prospective bride. In the third and final act, the entire cast turns up at the masquerade, including Leander's mother, Margh one (contralto), who flirts with Leonard, and Pernille (soprano), Leonora's maid, who fancies Henrik.

During the gestation period of *Maskerade*, Nielsen played second violin in the orchestra of the Royal Theatre, Copenhagen, and the score bears traces of the influence of Verdi's *Falstaff* (introduced to the Danish capital in 1898) and of other comic operas.

The Unicorn recording, by the Danish Radio Symphony Orchestra and Chorus conducted by John Frandsen, is cast with singers familiar with their roles on stage, and consequently sounds thoroughly idiomatic. The two young men, Leander, lyrically sung by Tony Landy, and Henrik, deftly characterised by Jørgen Schmidt Johansen, are particularly convincing. In Hansen makes an amusingly old-fashioned Jeronimus while Gurli Plesner is splendid as the still-youthful Magdelone. The girls have little to sing, but Edith Leonora and Tove Hyldgaard a part and sprightly Pernille. The dance music of the last act is played with heady rhythm and an infectious sense of enjoyment. One is left with the feeling that the score bears traces of the influence of Verdi's *Falstaff* (introduced to the Danish capital in 1898) and of other comic operas.

Book Review

An opera is staged by ARTHUR JACOBS

The Making of an Opera: "Don Giovanni" at Glyndebourne by John Higgins, Secker and Warburg, £7.95, 272 pages

To the surprise of the first-night audience at Glyndebourne, Peter Hall was not present to take a curtain-call when the production on which he and his cast had laboured for five weeks was unveiled on May 31 last year. As director of the National Theatre, he found himself chained to London by a labour dispute which some suspected to have been timed to erupt at the crucial moment for the delivery of Don Giovanni to its customers.

This external drama is underplayed in John Higgins's pages, much in the spirit that Hall bid "the nightmare at the National" from his Glyndebourne team.



Sir Peter Hall

The author's concern is the building-up of the opera production, from the earliest discussions about casting to the raising of the curtain. Alert, knowledgeable and (one imagines) with a tape-recorder almost always at the ready, he was a privileged observer. His book does for an opera production what has been more often done for film productions and occasionally for plays and ballets. It is a pleasure to find it done so well and published so swiftly—while the production itself is back at Glyndebourne for a second season.

Not that one needs to be a frequent visitor of Glyndebourne to follow the intricacies of Don Giovanni, to follow with Don Giovanni this record of plans, revised plans, conversations, and rehearsals. Like the expert journalist he is (he was arts editor of this newspaper before moving to a similar position at The Times), John Higgins vividly but unobtrusively sketches both the historical background and the present world of Glyndebourne. Seclusion from London and an unusually long rehearsal period allowed a creative evolution of a production, quite different from the imposition of a scheme brought in and dried by a producer who has already staged the opera elsewhere.

Peter Hall's most decisive point of re-interpretation—making Don Giovanni defiant at the end of Act I, instead of fending off his accusers and running away—is well documented, together with the eloquent letter to The Times in which Peter Shaffer defended it against the doubts of professional critics. Next to Peter Hall, the most articulate of the participants seem to have been Benjamin Luxon (Don Giovanni) and Stafford Dean (Leporello). Their views on their roles can be tested by the reader by reference to the text of the opera given in Italian and English in 65 pages at the end of the book. It is a pity that this is set out as if it were all prose, not distinguishing between the sung numbers and recitative. With remarkable self-denial, Mr. Higgins takes no critical stance himself—not even on such a seeming absurdity as placing the period of the action some 20 years after Mozart died. More to be regretted is a neglect of two specific matters. The first is on page 191. Peter Hall gets "scarcely no sleep" in the week before the final dress rehearsal. Admirable photographs of (other Don Giovanni productions and his regular Glyndebourne operas too) are given no real information on the German salary, but the identification of Frankie Howard as governor so much at Glyndebourne as elsewhere.

The other major omission is, intended to travel. So it should, surprisingly, music. Although there is a chapter on "the conductor" (John Pritchard), he is treated mainly as a useful, reliable functionary in the producer's service. There is virtually nothing here about the placing and strength of the orchestra, the experience of orchestral rehearsals, the decisions on continuo and opposition, the latitude allowed to soloists in matters of tempo, the problems of blending voices—even about how fast and how loud the music was to go. We know of course that the producer (or, as Americans more sensibly call him, the stage director) is the true modern operatic prima donna, but there are times when the reader of these pages might almost forget that opera begins with a score and, even now, has to be sung and played as well as acted.

The book is finely printed and produced, with only a rare slip showing the haste which must have gone into its compilation: on page 191. Peter Hall gets "scarcely no sleep" in the week before the final dress rehearsal. Admirable photographs of (other Don Giovanni productions and his regular Glyndebourne operas too) are given no real information on the German salary, but the identification of Frankie Howard as governor so much at Glyndebourne as elsewhere.

The prizes at this year's (the 15th) "Concorso internazionale di canto B. Gligli" held at Macerata in Italy were awarded to Simone Adamo and Yung-Hee Boo (equal first), Raptaro Kurasaki and Yoshikasa Yamaji (equal second) and Elia Padovan (third).

The prizewinners and the other finalists will be heard in a concert on July 25 in the Arena bringing out a revised edition of the forthcoming season.

Arts news in brief

A paperback edition of *Who's in the Theatre*, the Bible of the English-speaking stage for the past 60 years, has now been produced. The 1977 18th edition (German salary), but are well displayed. The identification of Frankie Howard as governor so much at Glyndebourne as elsewhere.

St. Bartholomew-the-Great

Ultimos ritos

For the next 11 days, a festival of 20th-century music holds sway in St. Bart's, with midday, evening, and late-evening events, an interesting survey of diverse modern styles, and a plentitude of first performances. It is a brave, admirable venture richly deserving of support (not least by those who complain of the lack of variety and enterprise in London concert life).

Tuesday's opening concert was given by the Southampton Youth Orchestra, the Michael Laird Brass Ensemble, and the New English Singers, all under Andrew Morris. It began with a new, Walton-crossed-with-20th-Century-Festival-Fanfare by Edward Gregson, and continued with a beautiful choral prayer, *Sicut erat* by Gregson, and a sequence of four choirs, neither text nor note in the festival programme. But the most important business of the evening was a performance of the John Tavener's *Ultimos ritos* (1974), that elaborate, intriguing, "architectural" choral composition laid out on a large and very ambitious scale.

With its store of religious symbolism made manifest in music (its grooves of four choirs and four percussion sections, laid out on points of the cross, its trumpets and recorders directed to sound from galleries high and

low, its organ grandly sonorous from one end of the nave), *Ultimos ritos* needs space. There was not quite the necessary depth, height, and distance in the harmonious and intimate interior of St. Bart's; not all the drama of contrasts on which Tavener so heavily depends could be fully played out, and at times the performance seemed to reach the ears of the listener all too quickly, too "normally," divested of the awesome apparel of reverence and decay.

Nevertheless, despite the reduction of scale, and despite a performance not always fully geared to the individual dramatic character of the five movements, with little hesitations and uncertainties as well as devotion and choral proficiency in its execution, the multitude of glamorous, striking sound-effects came across. I am by no means persuaded that *Ultimos ritos* is the sum of its parts; that evening was a performance of the John Tavener's *Ultimos ritos* (1974), that elaborate, intriguing, "architectural" choral composition laid out on a large and very ambitious scale.

With its store of religious symbolism made manifest in music (its grooves of four choirs and four percussion sections, laid out on points of the cross, its trumpets and recorders directed to sound from galleries high and



Charles Beeby (top) and Gerald Miller

Festival Hall

Pierre-Laurent Aimard

The soloist in two piano concertos at the heart of Tuesday's Philharmonia concert under Andrew Davis was the young French pianist Pierre-Laurent Aimard, 19, who held the music bright and taut. Davis spun out his tuttis as he was declared outright winner of the Messiaen Competition at La Rochelle. Teenage prodigies fall by the wayside easily; but Aimard has stayed the course well. The finger technique is still more dazzling than the was; the easy, fluent manner and sensitive touch have neither cracked nor soured. We should be hearing more of him as a soloist in the coming years; and as chamber player too, since his appointment as pianist in IRCAM's new Ensemble Intercontemporain in Paris.

The evening's first "concerto" was Messiaen's *Oiseaux exotiques*—thrown off by Aimard with vivacious precision, keenly drawn, beautifully coloured; the effect would have been finer still if the Philharmonia's ensemble, Mr. Acker Bilk and his Paraphrasing Machine, featuring there had seemed less of a hardiness in Davis's beat, and the more of manic insistence, a true Jazz Masters.

Louis Armstrong concert

The annual concert held to commemorate Louis Armstrong will be held this year on Saturday July 8 at the Royal Festival Hall. The bands taking part are the Philharmonia's ensemble, Mr. Acker Bilk and his Paraphrasing Machine, featuring there had seemed less of a hardiness in Davis's beat, and the more of manic insistence, a true Jazz Masters.

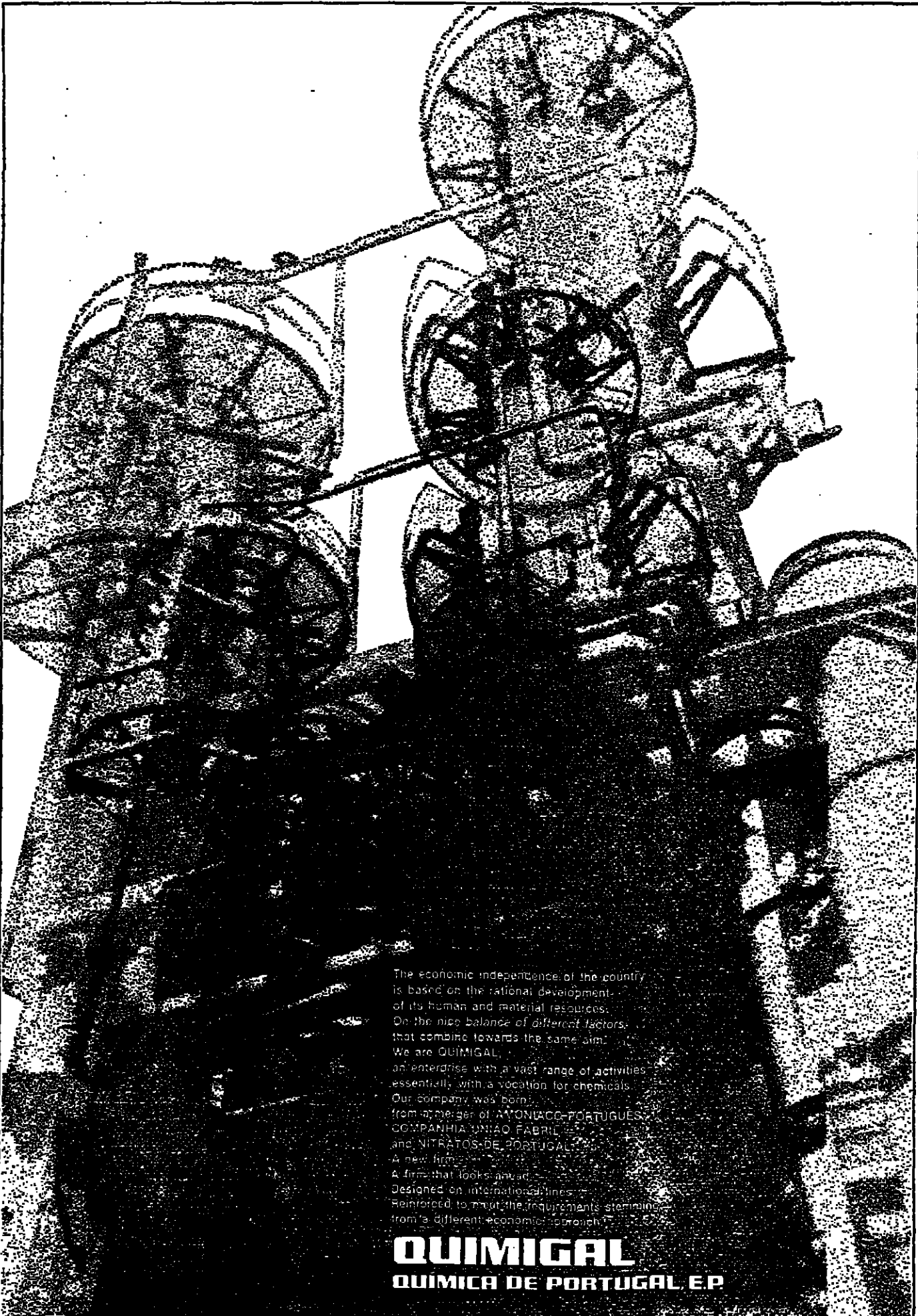
Theatre Space

Men by MICHAEL COVENEY

Another new venture in Covent Garden. Formerly the Rank and Little consistency in the Strand demonstration theatre dramatic trauma of a and more recently a club cinema, couple of Leicester hearties up this cosy but featureless base for the convention who find ment at 29 King Street is play-themselves rudely deposited in the surprising domestic milieu Company from Bradford. The of their "What about the play, by Don Milligan and Noel workers?" comrade.

After an over-stressed introduction in the butch locker-room, where all talk is of holidays in Majorca with the wife and kids, the action progresses tediously through to a pretty boudoir dénouement in which Gene works himself up to a final departure on the boys to ensure the validity of a bid for power.

The message is that political struggle starts with yourself and by flouncing around in predict-your debt to those you love, but ably outrageous fashion. The there is minimal sophistication director is Paula Stepany.



The economic independence of the country is based on the rational development of its human and material resources. On the nice balance of different factors that combine towards the same aim: We are QUIMIGAL, an enterprise with a vast range of activities essentially with a vocation for chemicals. Our company was born from the merger of ATONACCO-PORTUGUESE, COMANHIA UNIAO FABRIL, and NITRATOS-DE-PORTUGAL, a new firm that looks ahead. Dedicated to international lines, reinforced by research departments stemming from different economic branches.

QUIMIGAL QUÍMICA DE PORTUGAL E.P

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF

Telegrams: Finantime, London PS4. Telex: 583241/2, 583297

Telephone: 01-248 8000

Thursday July 6 1978

The Egyptian peace plan

NEARLY SIX months after President Sadat abruptly broke off negotiations with Israel it seems almost certain that the main elements of the Egyptian peace plan, which was published yesterday, have been consistently rejected by the Israeli Government. However, it had already accepted the U.S. invitation to attend a meeting of Foreign Ministers in London provided that no preconditions or "outrageous" demands were made. Wisely, Mr. Sadat has not made Egyptian attendance dependent on Israeli acceptance of the totality or part of his plan.

No concessions

The prospect of a meeting between Mr. Moshe Dayan and Mr. Mohammed Ibrahim Kamel at the very least says something for U.S. efforts and pressure to breathe life into a negotiating process which began promisingly last November with Mr. Sadat's bold mission to Jerusalem, but has subsequently flagged almost to the point of expiry. More important, it would manifest a continuing desire of both Israel and Egypt to search for a peace settlement.

But to meet is one thing, to negotiate another. Despite differences within Mr. Begin's Cabinet, and even greater heart-searching his electorate, Israel has conceded nothing since it presented its own plan late last year. Neither, arguably, has Egypt, even though it is only now that Mr. Sadat has presented publicly and formally his own proposals.

Mr. Sadat has taken a fundamentalist position in proposing that Egypt should take over administrative responsibility for Sinai, and Jordan for the West Bank, including East Jerusalem for an interim period of up to five years "at the end of which the Palestinian people will be able to determine their own future." He has also specified that Israel should withdraw Jewish settlements from the territory which it occupies. It was on these principles, of Israeli withdrawal, Palestinian "self-determination," and the dissolution of Jewish settlements, that the earlier phase of negotiations foundered.

In contrast the Israeli Govern-

ment has not modified its plan which would provide for limited self-government for the occupied territories. Rather, in response to U.S. probing, it has—with the dissent of a minority including Mr. Ezer Weizman, the Minister of Defence—hardened its position, by refusing to contemplate anything more than a review of the status of the West Bank and the Gaza Strip after five years.

One element in the Sadat proposals—the return of the West Bank to Jordanian control—is baffling in as much as this idea has not been endorsed by Jordan. King Hussein, like Mr. Sadat, subscribed to the resolutions of the Arab summit conference in 1974 which decreed that the Palestine Liberation Organisation should be solely responsible for any territory evacuated by Israel. Now he feels unable to undertake any mandate for the West Bank without full pan-Arab support. For his part Mr. Sadat has gone some way to compromise, by making no reference in his plan either to the PLO or to Syria. However, with such polarisation on basic issues between Egypt and Israel negotiations at the present time may not only be fruitless but also dangerous.

Israeli misgivings

This is the reason for Israeli misgivings about a foreign ministerial meeting under U.S. auspices at this point. A second is that a breakdown might expose it as the intransigent party. Indeed, the suspicion exists—and may be justified—that both the U.S. and Egypt may hope for such an outcome, bringing about or at least hastening the political demise of Mr. Begin who is regarded by many as one of the main stumbling blocks in the way towards a peace settlement. This could also be the concealed hope of Mr. Weizman and the Democratic Movement for Change, partners in the Likud coalition, government, who would in the last resort be prepared for territorial compromise on the West Bank and perhaps greater recognition to Palestinian aspirations towards self-determination. But the odds, unfortunately, are that Mr. Begin's diplomatic coup will prove to be a futile one, and the London talks something of a charade.

Wrong way to reform London

SIR FRANK MARSHALL, who was commissioned by the Conservative regime at County Hall in May, 1977 to produce a review of the structure and functions of London government, has worked with commendable speed to produce a thoughtful report which contains a number of detailed proposals which are clearly sensible and helpful. He is also blunt about the shortcomings of the Greater London Council in the first 13 years of its existence—remote, apparently obstructive, unresponsive to voters in carrying out a role which few of them understand. However, these observations raise more fundamental questions which are understandably fudged.

Vague terms

The real question raised by the record of the GLC is whether a regional authority of this kind, separately elected, is necessary at all; but a report sponsored by the GLC itself is not a likely source for guidance on this question. The question is indeed raised early in the report, but it is answered in astonishingly vague terms. An overall authority is needed to stand up for London against a central government, to foster a "corporate approach" to common London problems, and a "Metropolitan consciousness" among voters. These duties may seem altogether too ill-defined to justify setting up a large elected body with some thousands of paid officials.

The basic strategy is that the GLC should acquire some powers from Whitehall to justify its continued existence, and devolve some powers to the boroughs to make its continuation less annoying. Thus it should take over trunk roads, the fire service, part of the police force, the redevelopment of the former docklands, housebuilding and, most contentiously by far, the sharing of revenue between the boroughs, at the expense both of Government departments and of some borough functions. It should constitute itself into yet another kind of regional health authority, and go still further

into the transport business at which it has hardly so far proved adept, taking responsibility for British Rail commuter services. It might also expand to take in the whole of the London Airport area.

None of this functional shuffling provides any clear rationale for perpetuating an "extra-regional tier in local government. Administratively, this structure has proved a nightmare in the health service; and if there is to be a "strategic" authority it is far from clear that the GLC area is a logical unit in it.

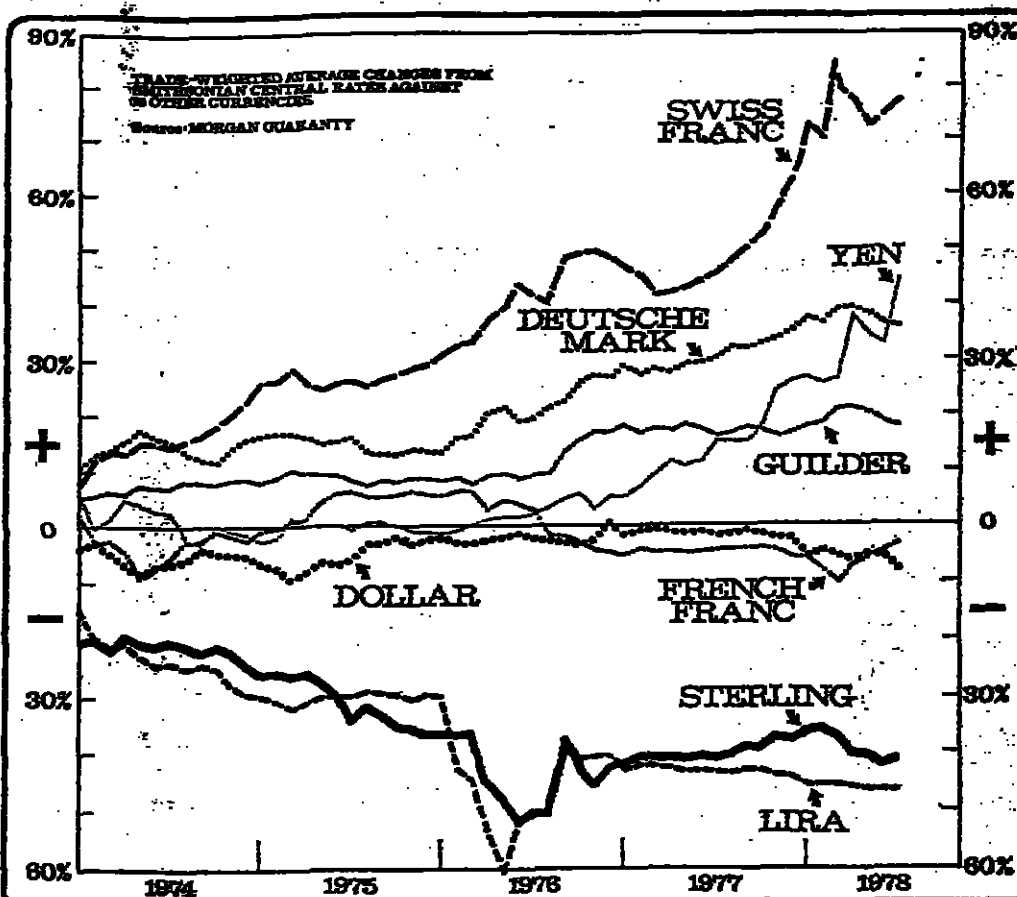
A strategy

During the war many people found solace in the Utopian plans produced for a reconstructed Britain, and the pretty drawings and models which illustrated them; but post-war experience has been deeply disillusioning. Planning has been seen as a source of rigidity, mediocrity, social problems and economic decline. Planners of a few really modern developments such as Milton Keynes and the conurbation slowly growing north of Newcastle have adopted a much more modest role, solving the essentially technical problems of transport, energy and drainage, and leaving development to take its own course so far as possible.

A strategy defined in these modest terms could well be drawn up by a technical body reporting to representatives of the boroughs; and other essentially technical services—a council housing list, fire protection safety inspection and the like—could be run in the same way. It is the function as much as the structure of local government which needs redefining; and this report suggests that the job should not be left to those concerned in it.

EEC heads of government at Bremen: By IAN DAVIDSON

Summits, snakes and sense about communiques



months there really has been some convergence of national economies, in the sense that the British and French governments have managed to bring their inflation rates down just below double figures. That still leaves a considerable gap with the German inflation rate of around 3 per cent, but it is a vast improvement.

Floating rates

But the central factor in the improved prospects for a new European currency scheme is the widespread disenchantment with the consequences of floating exchange rates. The success of the Germans and the Swiss in grappling their way back to substantial current account surpluses, despite the burden of much higher oil import costs, has only served to drive their currencies higher than ever. The British Government has only to declare a policy of concern for the competitiveness of British industry for a depreciation of the currency, and to award wage increases which will call for such a depreciation. The Americans indulge in a policy of benign neglect, and their insatiable appetite for oil imports drives their trade deficit higher and higher, and their currency lower and lower.

Most significant, the decline of the dollar has disturbing effects on the rest of the world, especially in Europe, because of currency co-operation in the importance of the dollar varies from country to country.

The Benelux countries, for example, do three-quarters of their trade with other members of the Community; in Britain's case, the proportion is under half.

But even half is rather a large proportion, and provided competitiveness can be maintained by other means, such as control of the money supply and of the public sector borrowing requirement, it offers a significant incentive for grasping after some degree of currency stability with the rest of the Community. In the case of France, which does a much higher proportion of its trade with the Deutsche Mark bloc, the incentive is even stronger.

The second paradox is that the notion of a European currency operation, originally launched by Herr Schmidt as part of an international package deal in which other countries (including the U.S.) would get quite different compensations, may in fact be pressed forward quite independently for the benefits which it will, or may, confer on the participating European countries.

For longer than most of us can remember, the British and American Governments have been urging the Germans to help the world economy out of recession by adopting a faster growth rate at home. These impassioned adjurations have been stonily rejected by the Germans, who have made it abundantly clear that they have no intention of embracing higher domestic inflation for the sake of Jim Callaghan's blue eyes, nor even for those of

poor much a surcharge. But considering his difficult relations with Congress, he may prefer to avoid any outright confrontation with Capitol Hill, in the hope that his preferred energy measures will, sooner rather than later, get through the legislative mill.

Much the same goes for the required commitment to free trade. With the GATT negotiations on yet another round of trade liberalisation reaching a theoretical deadline only one day before the Bonn summit, it will be difficult for the participating governments to resist the case for trade liberalisation. Yet with every month that passes it becomes steadily more apparent that the Japanese, for all their protestations, have not found a way to reduce their trade surplus in a politically acceptable manner, and it becomes correspondingly more difficult for some European governments to be sure that they will be able to resist protectionist pressures from some sector or other.

In any case, the faster growth which would be the counterpart of these commitments would need to be fairly dramatic if it is to persuade President Carter to have a row with Congress, or if it were to ease the protectionist pressures in other importing countries. Naturally, the German Government is not being specific about what it might have in mind, but two points have emerged: there would be no stimulus before the turn of the year at the earliest, and any stimulus would be carefully assessed for the danger of inflation. In other words, a purely German stimulus is not likely to make much difference to the rest of the world.

It might, of course, be an encouragement to other countries to follow suit. Earlier this year, the Organisation for Economic Co-operation and Development recommended that all the industrialised countries could and should go for higher growth, but the proposal was turned down by the Finance Ministers, at least some of whom were reluctant to accept precise growth targets. But the crucial question is whether the German Government will give enough of a lead to trigger the revival of the OECD growth plan.

This week's Bremen meeting, by contrast, is faced with a much simpler question: will the nine Community countries agree in principle to set up a new currency system in which all participants will participate in the foreseeable future, or will the French join an enlarged version of the first question is yes, it is quite likely that the details will be left to be hammered out during the second half of the year, and finalised at the December European summit, even if it remains secret. For one thing, the Schmidt-Giscard ideas have been deadlocked. My guess would be that some at least of the heads of state will feel out of very long communiques at Bonn

Pooling of reserves

In the longer term, there also the shadowy implication that the Nine would be laying the foundation for a European currency. As it is, the Germans already agree that the scheme will require some pooling of reserves. But there remain considerable divergences of view whether, in the first instance, reserve pooling and central bank settlement would continue to be a book-keeping function handled by the Bank for International Settlements in Basel, or whether the embryonic European Monetary Co-operation Fund (which as of now consists of a brass plate and a part-time secretary in Luxembourg) should start to look more like a European central bank.

There can be little advantage, certainly about either this week's Bremen meeting or next week's Bonn meeting. Even nine Community countries agree in principle to set up a new currency system in which all participants will participate in the foreseeable future, or will the French join an enlarged version of the first question is yes, it is quite likely that the details will be left to be hammered out during the second half of the year, and finalised at the December European summit, even if it remains secret. For one thing, the Schmidt-Giscard ideas have been deadlocked. My guess would be that some at least of the heads of state will feel out of very long communiques at Bonn

MEN AND MATTERS

Man most feared in Rhodesia

Behind yesterday's news that 15 Rhodesian guerrilla leaders have sought refuge in Swaziland lies a power struggle that could be crucial to what happens after Ian Smith finally hands over control. At the heart of the struggle is Joshua Tongogara, commander of the Zimbabwe National Liberation Army (ZANLA), to which the 15 "defectors" belonged. The mention of Tongogara's name, with its sombre cadences, causes unease among black and white alike in Rhodesia today.

Secretive and implacable, the 38-year-old Tongogara was held in a Zambian maximum security prison until December 1976 on a charge of murder. He was let out by President Kenneth Kaunda to attend the abortive Geneva conference on Rhodesia's future. Since then he has led the 12,000 ZANLA guerrillas operating from bases in Mozambique. Units of this force have been accused of the recent atrocities, including the killing of 13 missionaries.

Tongogara, who was trained in China, has been charged in Lusaka in April 1978 with the car-bomb killing a year earlier of lawyer Herbert Chitepo, the chairman of the Zimbabwe African National Union.

A story of bloody rivalries between Tongogara and rivals for the guerrilla leadership was revealed by a commission appointed by Kaunda to investigate the murder. It is believed that the flight into Swaziland marks a resurgence of these struggles. In its report, the commission—over a year though doubts including representatives of 12 African states—told of executions and torture in the forests. It said: "There was evidence before the Commission that Tongogara openly remarked that he saw no reason why he should

not be the first President in an independent Zimbabwe through the barrel of a gun. Tongogara appeared to the Commission as a man possessed of inordinate ambitions." The commission linked these ambitions to "the systematic process of eliminating possible rivals by death."

One of the 15 who have fled is "General" Joseph Chikurenga, third in command of the ZANLA guerrillas; he was also charged with a car-bomb murder, then likewise freed without standing trial. ZANLA belongs to the Patriotic Front, led by Robert Mugabe and Joshua Nkomo. But if the "internal settlement" collapses, not they but Tongogara might emerge as the ruler of Zimbabwe.

A senior African civil servant who has met Tongogara told me in London yesterday, "I should not like to be governed by him."

Nord-sud politik

Willi Brandt no longer sees himself as primarily a European statesman. Yesterday he was happily signing copies of his book, *People and Politics*, published here two years after the German version. But at a lunch after the West German Embassy's reception for him, he was telling a number of us that he sees his main role as a mediator in the North-South dialogue between industrialised and developing countries.

The North-South issue is the world's "most decisive social question" for the rest of the century, he says. As chairman of the Brandt Commission on this he is touring European capitals to proclaim this message. He says his commission will be reporting in just over a year though doubts whether it will produce all the answers.

He says he is a "moderate optimist" about the course of the dialogue and is impressed by the way Western leaders in-



"What about us? If we didn't make laws they wouldn't have any to enforce."

Guilty feeling

Reverend mother, have you recently (out of the goodness of your heart) signed forms guaranteeing someone else's debt? If so, you may have cause to regret it. For your name might very well end up on the files of Britain's biggest credit vetting agency.

A number of nouns have landed up before the courts that way, according to Credit Data. Though the wheels of the law grind slowly, they grind exceedingly small. Credit Data, which makes all its information from public sources, like the county court records, has had 7,524 applications to view its 10m files in the year since the Consumer Credit Act obliged the credit vetting agencies to make details of their standing available to the individuals concerned.

History does not record how many of those 7,524 individuals stamped out in high inflection, claiming and proved that some mistake had been made—the name wrong, the address wrong, the sums at issue wrong. Credit Data says that 27 of those mistakes resulted from the provision of wrong information by the Lord Chancellor's department. Certificates of satisfaction from the courts—acknowledging that the debt had been paid—were subsequently added to 280 files. Seven hundred and seventy-three individuals added a note of explanation—a course presumably open to our hypothetical abbees. And 1,977 discovered that there was no information about them on the file. One presumes they were not disappointed.

Force of habit

Did you hear about the overweight tax collector who lost a stone—but not before he'd tried to get blood out of it?

Observer



Doesn't he realise he can phone Extel for those shareholding disclosures?

Extel has been logging and updating all those shareholding disclosures since April, 1977 when holdings of 5% or more began to be published.

The complete record is instantly available—all you have to do is pick up a phone. There is no delay, no filing, no sending messengers.

Your subscription to the EXTEL SHARE-HOLDING SERVICE entitles you to 24 free enquiries a year and a further unlimited number for a small fee.

Extel also takes ONCE-OFF enquiries.

To Extel Statistical Services Ltd., 37-45 Paul Street, London, EC2A 4PB. Phone: 01-253 3400. Telex: 263437.

I should like to know more about the Extel Shareholding Service.

Name (block letters) _____
Position or Title _____
Firm etc. _____
Address _____

Phone _____

Extel GROUP

July 6 1978

se

FINANCIAL TIMES SURVEY

Thursday July 6 1978

ACCOUNTANCY

The British accountancy profession has spent the past year reassessing itself and its standards. This was inevitable following the defeat of the Morpeth proposals. But now it is time to get the show back on the road again.

Call to close the ranks

by Michael Lafferty

Pooling reserves

WE ARE a great profession with an international reputation for integrity, honesty and a dedication to high standards of conduct and service to the community. We must now close ranks—support sensible policies or self-regulation and collectively be determined to stand firm against interference in the regulation of our profession."

Eric Sayers, President of the Institute of Chartered Accountants in England and Wales, June 1978.

THE ABOVE quote was how the incoming president of the English Institute of Chartered Accountants chose to rally his members at this year's annual conference in Brighton only a year after they had voted against their council's wishes to show back on the road again. This is how he squared up to inflation accounting proposals. It could also be read as: "Look, the past two presidents have had a rough time. Give me a chance, please!"

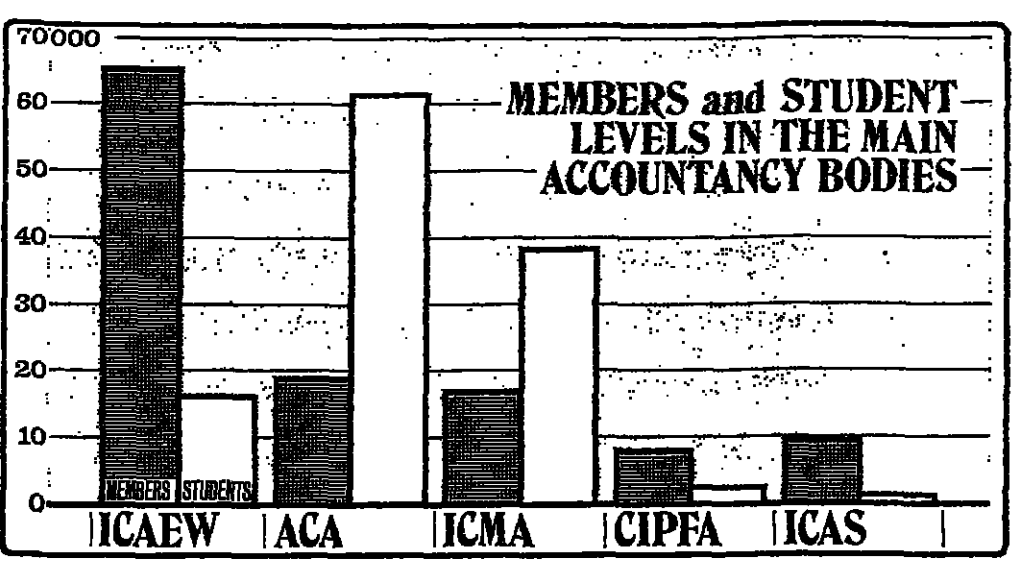
1977-78 was the year of back-peddling by the leadership

of the accountancy profession. It began with inflation accounting, and ran right throughout the various activities of the Institutes, including the dominant English Institute in particular. It was a great year for committees, exposure drafts, discussion papers and learning lessons. But it will hardly be remembered as a year when the profession took any significant steps forward.

The view was that the profession had been pushed too far, asked to accept too many fundamental changes and, after the Morpeth affair, was in no mood for proposals which had not been properly thought out. So the delay over the draft new audit standards turned into a marathon exercise in consultation, the autonomy of the Accounting Standards Committee was restricted and the promised censure statements on accountants criticised in Department of Trade investigations turned into toothless efforts at drawing "lessons" for the good of the profession. Altogether it really was something of a non-event after all the thrusting activity of previous years.

The change of attitude was abundantly clear at the Brighton conference. But there were signs too that Mr. Sayers, also the new chairman of the overall Consultative Committee of Accountancy Bodies (CCAB), believed it was time to get the show back on the road again. This is how he squared up to one problem.

"We cannot shrug off the current criticism of our profession. After all, as far as public company audits are concerned our members have for all practical purposes a



monopoly in this field. The Government has a responsibility to ensure that where a company has a monopoly it does not abuse the position where the public interest is concerned. Similarly the Government has a responsibility to ensure that a profession in such a situation is so conducted by the members as to ensure high standards of work and conduct where the public interest is concerned."

Again, stressing the Institute's determination to remain self-regulating, Mr. Sayers suggested that to enjoy that privilege accountants' professional standards of performance and conduct must "be so high that it would be virtually impossible to frame legislation to legally demand them."

Perhaps Mr. Sayers sees another opportunity like that of industries with much damage to the ideal of one standard.

But so far there have been no initiatives to bring more users of company accounts into the standard-setting process. Perhaps by doing so the CCAB will have existed for five years, and there is likely to be pressure from the other accounting bodies for changes. Questions such as whether the English Institute president should continue as automatic chairman and the matter of a possible separate secretariat will have to be resolved.

The central question remains whether CCAB should be developed further as a more active umbrella organisation for the profession. Some prominent chartered accountants take the view that it has been a bit of a disaster for the English Institute, which has had to merge its identity with other bodies far less in the public eye like the Association of Certified

ABBREVIATIONS	
ICAEW	Institute of Chartered Accountants in England and Wales
ICAS	Institute of Chartered Accountants of Scotland
ACA	Association of Certified Accountants
ICMA	Institute of Cost and Management Accountants
CIPFA	Chartered Institute of Public Finance and Accountancy

Accountants, or the Institute of Cost and Management Accountants. They want to have the trend reversed, seeing nothing but further loss of prestige within the present system.

Even the Association of Certified Accountants accepts that integration is out for the foreseeable future. Instead, in a discussion document recently published (with about as much impact as the National Front's plans for taxation) it has put forward the idea of a federal structure for the profession. According to the aptly named "An Association of Ideas," this would eventually mean a profession settling down into four main streams:

- (a) public accountants to service large companies;
- (b) public accountants to service smaller companies and individuals;
- (c) accountants in employment, both in the public and private sectors; and
- (d) accountants in education.

To be effective, the Association says, a federal structure would require registration of the profession with Government, so protecting the designation of "accountant" for members of the federated bodies.

The advantages of federation are summarised as:

- Better services for members.
- Higher national and international standing for British accountants.
- Better educational facilities for students.
- Lower administration costs.
- "Unlike integration, federation is not an 'all-or-nothing' formula. While a comprehensive scheme would, clearly, be more satisfactory, federalisation could if necessary proceed among some if not all of the six bodies, and could be extended among those areas on which agreement could be reached, while deferring those which presented difficulties too great to be encompassed at the outset."

Ironically, it is the Association itself which is increasingly becoming the odd-man-out of the CCAB bodies. Leaving aside the regional (Scottish and Irish) institutes of chartered accountants, it is the English Institute of Chartered Accountants, the Institute of Cost and Management Accountants and the Chartered Institute of Public Finance and Accountancy which have been co-operating most at the educational level, and through the sponsorship of a joint new technician grade. The accompanying chart gives some idea of each body's medium-term membership ambitions.

Judging by the history of the UK profession, and the vastly different educational policies of the individual bodies now, the Association's ideas look like a pipe-dream. Yet can it be in the public interest that there should be so many bodies competing in the same profession? Despite its vast foreign student body, one question the Association's discussion paper does not answer is whether it intends Association membership to become what it seems to be aiming at—some form of international accounting qualification mainly directed at the former British colonies. So long as it refuses to come to grips with this dilemma, the other accounting bodies will feel able to prolong the present set-up.

THE BUSY ACCOUNTANT'S GUIDE TO COMPUTERISATION.



In commerce and industry...

...or in private practice

Olivetti have prepared a comprehensive set of briefing booklets for the company accountant. This set of booklets includes guides to computer programs covering Sales Ledger, Purchase Ledger and Nominal Ledger procedures.

If your company's accounting is your concern, these booklets are required reading.

For your complimentary copies, ask your secretary to send in the coupon, or write to:

Valerie Belfer,
British Olivetti Limited, 30 Berkeley Square, London W1X 6AH.

To: Valerie Belfer, British Olivetti Limited, 30 Berkeley Square, London W1X 6AH.

Please send me: (tick as appropriate)

☐ A set of briefing booklets on company accounting.

☐ A briefing booklet on accounts production.

☐ Ring me to arrange a viewing of your film on incomplete records.

Name _____

Position _____

Company _____

Address _____

Tel. _____

olivetti

Olivetti have evolved a computer approach to the accounts production function. Prepared in consultation with accountants, this system is one of the applications in the library of Olivetti computer programs for accountants in private practice.

Within the range are systems to suit individual practitioners, medium-size partnerships and large concerns.

For a complimentary briefing booklet on Olivetti's approach to accounts production (or if you'd like to see the special documentary film on incomplete records), ask your secretary to send this coupon, or to write to Valerie Belfer.

ACCOUNTANCY II

Tortuous years of inflation

Has your company car finance taken the wrong turning?

Here's how to get on the right road.

Is the way you are financing your company car fleet out of tune with today's needs? Have you yet to find a contract hire plan that lines up with your requirements? You will probably find the answer you have been looking for at Dial Contracts.

We have the biggest contract hire fleet in the country, and experience to match. Particularly in tailoring transactions to meet individual needs on those rare occasions where our standard 'off the shelf' package does not fit.

We'll be glad to discuss our comprehensive service with you at any time. Please telephone or post the coupon.



7-17 ANSDALL STREET, KENSINGTON SQUARE, LONDON W8 5BN.

Ring Miss M. Joyce at 01-937 7207 today for further information or complete the form below:

I/We require further information.

Name: _____ Position: _____

Company: _____

Address: _____

Phone: _____ F.T. 67.

YOU'RE A QUALIFIED ACCOUNTANT. BUT DO YOU MEAN BUSINESS?

Whinney Murray would like to give more scope to your career.

If you join our development programme, you won't just be a specialist. You'll be an all-rounder, with a businessman's mind for financial problem-solving, a keen eye for economic and taxation developments, current events and any fundamental changes which may affect your clients.

And whether you eventually stay in the profession, move to industry or go overseas, you'll never be just an isolated

accountant. You'll be an interpreter, financial adviser and problem-solver, working within the wider scope of the general business scene.

So if your abilities match your ambition and you'd like to talk business, phone or write to:

**Arthur Hammond
Whinney Murray & Co.
57 Chiswell Street,
London EC1Y 4SY
Telephone 01-628 6038**

Mr. & Mrs. Aberdeen, Belfast, Birmingham, Cardiff, Dublin, Edinburgh, Glasgow, Huddersfield, Hull, Ipswich, Leeds, Liverpool, Manchester, Newcastle-upon-Tyne, Southampton.

Do you know all you need to know?

We have over 20 offices throughout the U.K. serving a wide range of clients — from small private companies to large public groups.

We can offer you direct involvement in the development of our clients' businesses. Involvement that will bring early responsibility, technical development and clearly defined career progression.

Our acknowledged expertise in specialist areas will provide the opportunity for you to acquire and develop skills in Tax, Liquidations, or Consultancy Services.



**Kidsons,
Chartered Accountants,
Columbia House,
69, Aldwych,
London, WC2B 4DY.**

And, when you meet us, you'll find an environment where your individual contribution will be quickly identified, encouraged, and rewarded.

If you'd like to talk to the people who make us what we are, write to Kerrie Norman, Staff Partner in London, to discuss current opportunities in our U.K. offices.

INFLATION HAS recently eased below the 8 per cent mark, the lowest for five years, and accountants dream of the time when it shrinks to such a low figure—less than, say, 5 per cent—that the endlessly controversial subject of inflation accounting can be shelved. But this is not going to happen yet. Economists are agreed that we shall be lucky if UK inflation stays near current levels, and many believe that it will move back into the double figure range early next year.

So the process of developing a generally acceptable system of inflation accounting will continue. But the accounting profession has learnt some valuable lessons during the past few tortuous years.

This period has embraced the Sandilands Report and the subsequent Morpeth Steering Group's draft standard ED 18 on current cost accounting, and of course the dramatic vote a year ago at which members of the English Institute of Chartered Accountants rejected all attempts to introduce compulsory current cost accounting.

The old approach whereby attempts were made by the leaders of the profession to steamroller proposals through has now been dropped. From now on the Accounting Standards Committee is to adopt a much more cautious policy.

It will not run the risk of moving far ahead of general opinion within the profession, which in terms of numbers is still dominated by the members who operate in thousands of small firms up and down the country rather than in the relatively few big firms which dominate the auditing of listed companies and which provide the bulk of members of the profession's influential committees.

First evidence of this new approach came last autumn in the Hyde Guidelines, a rescue operation launched by the ASC to salvage something from the inflation accounting mess. The guidelines are highly simplified, they are entirely supplementary to the main historic cost accounts, which continue as before, and they are optional. This contrasts with the ambitious Morpeth ED 18 proposals which were highly complex and comprehensive and designed to cost historic cost accounting within a very few years.

In one crucial respect, however, the Hyde Guidelines went even further than ED 18, in that they introduced a gearing adjustment. Most accountants have always insisted that a correction for monetary items is necessary to give a true inflation-adjusted version of shareholders' profit, though this has often met with resistance from industry.

In general the Hyde proposals have been quite well received by the large listed companies at which they are aimed. Most of the big companies have given all three figures, on the basis of which it is possible to calculate inflation-adjusted earnings and dividend cover.

The response has been patchy across the broad ranks of smaller companies, however, and a number of large companies have also made excuses. Sometimes it is claimed, for example, that the Hyde adjustments would be for some reason misleading. Other company chairmen fall back on the hoary old excuse that they are unwilling to give inflation-corrected figures until a

generally accepted method has been devised.

A period of time will be necessary for the Hyde Guidelines to be tried out. But already the ASC is planning the next stage, which is to devise improvements both in content and coverage. A statement of intent earlier this week.

Draft

It is likely that an attempt will be made, starting with a new exposure draft next March, to introduce compulsory supplementary current cost accounts for listed companies. This draft will be in place of the much more sophisticated CCA standard on which the Morpeth Group has been working since its ED 18 proposals were rejected.

The ASC will not wish to suppress too much of the valuable work which has been done by the steering group. At the same time it will not wish to frighten the accounting profession again with highly complex and revolutionary proposals. A likely compromise is that the proposals will be kept quite short and simple, but the Morpeth Group will be asked to produce voluminous background material to guide companies in their calculations.

For the future the ASC probably envisages a step-by-step approach to full current cost accounting. Later stages would include the adoption of CCA for smaller companies and the shift of the system from the supplementary figures into the main accounts, replacing the historical cost calculations.

But there is no question of these steps being taken without general agreement. In retrospect it is clear that the accounting profession made a mistake in allowing itself to be tied down to rigid timetables by the Sandilands Committee and its successor the Morpeth Group.

To be fair to the Sandilands Committee, though, it was deliberating at a time of accelerating inflation and at a period when it was thought essential to find a way of inflation-proofing the corporation tax system. In fact, ad hoc reliefs by the Chancellor, notably the deferring of tax on stock increases, effectively cured the tax problem. Inflation accounting is therefore not about cash but only about figures, and this has made it slightly less urgent.

Figures are still important if they have a direct influence on the decisions made by management and on the attitude of investors. But finance directors have had years of experience in which to learn lessons about running companies during periods of inflation. And investors have valued shares on lower and lower price-earnings ratios to take some account of the artificial boost given by inflation to historical cost earnings figures.

Stockbrokers Phillips and Drew have studied the impact of the Hyde recommendations on the figures of large UK companies. For 1977 Hyde profits before tax emerged on average some 32 per cent below conventional figures, and there was a similar reduction after tax. Compared with fully taxed historical cost figures the median

dividend cover dropped from 2.5 to 2.0 times.

While the advance of inflation accounting has slowed down in the UK, it has speeded up in certain other countries. In the U.S., for instance, where an acceleration of inflation is now widely feared, the Securities and Exchange Commission has been ordering companies to divulge information on the replacement cost of assets.

Within the European Economic Community there is pressure to have clauses permitting a degree of inflation accounting written into the fourth Directive. But still resistance is being put up by the Germans, who are adopting the well worn argument that it is much better to eliminate inflation itself than try and accommodate it.

According to one well-

informed source, however, the Germans are now putting forward a compromise view. They are suggesting that inflation accounting should be permitted for a limited period such as 11 years and then withdrawn so as to give countries time to eliminate inflation from their economic systems. The Germans themselves, of course, already enjoy one of the lowest rates of inflation in Europe.

It is, however, a brave proposition that the threat of the withdrawal of inflation accounting could bring about an end to inflation. It is also naive to think that the adoption of inflation accounting will encourage the persistence of inflation. Current cost accounting is equally as valid a test of a background of stable prices as in conditions of roaring inflation.

Barry Riley

Are Your Telephone Overheads Excessive?

Do you know

- which extensions are making outgoing calls to whom, at what cost and whether they are justified?
- how many calls are made and received by each extension and whether you are paying unnecessary rental?

In addition would you like to know

- how your telephone bill divides by departments?
- if potential customers can get through to your organisation?
- if you should be considering private circuits to other key locations?

All this information and more is available by investing in a Bunzl Traffic Study using our computer-controlled telephone information system.

For more details write or tel:

The Marketing Manager,
Bunzl Telecommunication Services Ltd.,
30 St. Dunstan's Hill, Chesham, Surrey.
Telex: 881336.

BUNZL

Jolliffe Cork & Co.

Our success and expansion over the last few years is the result of the true personal service we offer our clients from our network of offices in the UK and in 31 countries throughout the world by our international practice, Jolliffe Cork Ingram.

If you would like to join a lively go-ahead professional firm we believe we have the opportunities to match your ambition and experience with openings to specialise in Auditing, Taxation, Financial Planning, Investigations, Management Consultancy or Data Processing.

Please write for a personal history form to:
Guy D. Thomas, FCA, Jolliffe Cork & Co.,
City Wall House, 14/15 Finsbury Street,
London, EC2Y 8AQ.

Hire or lease. ANY MAKE. ANYWHERE.

Hire or lease from Appleyard and you just couldn't have better choice. Any make. Anywhere. With repair and servicing facilities from Land's End to John-O-Groats, Appleyard financial resources help you make more of your money, with low deposits, tax benefits, fixed budgeting and no capital outlay. Contract Hire or Leasing has never made better business sense. From one car or van to a complete fleet write, phone or call for a tailor-made quotation.

Appleyard

CONTRACT HIRE and LEASING

LEADS: 120 Great London Road, London E1 3JN. Tel: (01) 386-5451

LONDON: 120 Great London Road, London E1 3JN. Tel: (01) 386-5451

GLASGOW: 27 St Andrew's Arcade 641 Tel: (01) 522-6162

PLEASE SUBMIT FURTHER INFORMATION TO: FT 67

NAME: _____

COMPANY: _____

ADDRESS: _____

TEL: _____

Controversy over standards

EARLIER LAST month Mr. Tom Watts became the third chairman of the Accounting Standards Committee, the group established by the accounting bodies back in 1969 to improve the accounting and reporting standards of British companies, particularly the quoted company sector. Such has been the achievement of ASC over the years that this is now probably the most important post in British accounting.

Mr. Watts, who was virtually called back from retirement for the job, faces a difficult task. He takes over the chair at a time when the rule-making committee's ability to act independently has been severely constrained (every document it publishes must have the approval of no fewer than six accounting bodies, or their presidents at least), while it is widely agreed the after 9 years in its present form some fairly significant changes in methods and operation may be overdue. Apart from all this, ASC is now entering deeper waters in the subjects it is being asked to tackle, with the result that it is becoming increasingly difficult to get general agreement on proposed solutions.

At the same time as he was appointed chairman designate of ASC early in 1978 Mr. Watts was asked to head a small review group whose task is to look critically at existing standard-setting procedures, and recommend whatever changes may be necessary to cope with the job of accounting rule-making from here on.

The move was by no means premature, though unlike so many other recent accounting developments it cannot be said to have been forced on ASC. Ever since the committee was

established its pronouncements, not surprisingly, have attracted a fair share of controversy. This is because accounting standards are not binding on companies as are the provisions of the Companies Act. They work through persuasion.

All auditors are obliged by their professional institute rules to qualify audit reports on companies where there has been a departure from standard accounting practice. The same obligation applies to finance directors, in so far as they are qualified accountants. Backing up all of this is a statement in Item 9(a) of the Stock Exchange Listing Agreement that quoted companies are expected to observe accounting standards.

Risks

Operating thus in a quasi-legal capacity, yet depending for success on persuasion, the Accounting Standards Committee can only work effectively so long as there is general agreement on its pronouncements. If it gets too far ahead of the grass-roots accountancy profession or what companies are prepared to do, it risks loss of credibility. The Morpeth inflation accounting affair is probably the best example of this, though the controversial 1975 Corporate Report—suggesting future directions in financial reporting—is regarded by some accountants as almost equally dangerous.

In its everyday work of basic accounting standards, setting ASC has had its ups and downs. In the past few years particularly. On more than one occasion it has been forced into a complete volte-face. Perhaps the first example of this was the exposure draft on accounting for research and development expenditure, which came down against capitalisation of such costs as intangible assets in company balance sheets. But a sharp chorus of opposition from the electronics and aerospace industries soon paid to that point hope. A revised draft, now the accounting standard No. 13, said capitalisation was permissible in certain, admittedly tough, circumstances.

Hardly was this out of the way, however, than ASC found itself facing an even bigger revolt right across British industry over the standard on deferred tax. This required companies to set up so-called deferred tax liabilities in their balance sheets on account of the Government's accelerated capital allowances for plant and (later) for stock appreciation relief. Companies contended that they would never actually have to pay these tax liabilities over to the Inland Revenue.

Again ASC relented, suspended the standard, and came out with the now well-known ED 19 exposure draft, which says companies need only provide in their accounts for those

taxes they expect to have to pay in the foreseeable future. (Incidentally, the ultimate tax standard will perpetuate what has become every investment analyst's nightmare—companies will be permitted to provide for full deferred or actual taxes as they wish.)

Yet another example was provided by what has since become statement of standard accounting practice (SSAP) 12, dealing with depreciation. Here the property industry revolted against a ruling which would have required property investment companies to include depreciation charges for buildings in their accounts (it might have wiped out their profits) and at the last minute the English Institute of Chartered Accountants gave in to their demands, instructing ASC to conduct a detailed review of the industry's accounting problems.

These then, not to mention inflation accounting, are some of the experiences the Watts review must have in mind as it puts together a discussion paper on future accounting standard-setting, probably for issue in early autumn.

The group will probably take full advantage of the opportunity to get back to basic principles. It might help, for example, if there was a general re-appraisal of what accounting standards are for. It may seem appealing—for the sake of a quiet life—to allow more standards to become, in effect, double-standards. But such action would hardly be in the interest of the investing community or any other accounts users. Nor would it inspire much respect for accounting standards.

Again, it may be tempting to involve companies much more in drafting future standards. But if this leads to the degree of flexibility some companies are demanding the process may fall into disrepute for this reason too. It is only necessary to consider how quickly several companies have been to adopt favourable accounting standards long before they become effective, and how reluctant many others have been to follow unfavourable standards until they become binding, to appreciate that the matter of standard-setting should not be under excessive industry influence.

Perhaps the best way forward is to balance any greater industrial representation on ASC by equivalent representatives from accountants' users, as suggested in a recent report on accounting standards by a group of London accountants headed by Mr. Ken Gardener, finance director of Dunlop Holdings.

CONTINUED ON NEXT PAGE

ACCOUNTANCY III

The major firms dominate

CREASINGLY THE British quands Barton Maybew. Maybe Stoy Hayward would dominance the group, of course, is the sub-group of four firms—Peat Marwick Mitchell, Price Waterhouse, Deloitte Haskins and Sells, and Coopers and Lybrand. The only way any of the other firms from the 10 could get into this size category is through a merger with one of the other large firms.

There is no shortage of rumour in the profession that merger (takeover?) discussions have taken place between some of the larger accounting firms, between members of the top 10 and the medium-sized firms immediately below, and between the medium-sized firms themselves. In the top group, for example, it is reasonable to suppose that Whinney Murray or Touche Ross will have actively considered substantial mergers; the former firm, indeed, is believed to have had very preliminary discussion with Thomson McLintock a few years ago.

Given their international connections, it seems highly unlikely that there will be a UK merger between members of the "Big Eight" in the foreseeable future. Indeed it is difficult to see how a merger of such scale would be possible even in the U.S. But what about the other large UK accounting firms—starting with Thomson McLintock and dropping to names like Spicer and Pegler, Stoy Hayward, Mann Judd and Tansley Witt? Here the betting must be on some fairly significant changes over the next decade.

International link-ups could have a lot to do with the outcome. What would have been the effect on Stoy Hayward if its U.S. associate Leventhal and Horwath had merged with Touche Ross two years ago?

ACCOUNTANCY TASK FORCE

The specialist agency for all levels of accountancy staff. A personal and confidential service at your disposal.

Accountancy Task Force Ltd.
21 Copthall Avenue,
London EC2R 7BN.
Tel: 01-628-79314

ASSOCIATION OF COST & EXECUTIVE ACCOUNTANTS

Examinations are held half-yearly in June and December.
F.C.E.A. (FELLOW)
A.C.E.A. (ASSOCIATE)
Exemptions are granted on a subject-for-subject basis for HND/HNC or Equivalent.
Details from:
The Secretary-General
The Association of Cost & Executive Accountants Ltd.
(by guarantee)
282 Hermitage Road
London N4 1NR

Rewards at Buzzacott and Co.

ACCOUNTANTS HAVE a sole practitioners to 30-partner firms very little is known about a typical partner's remuneration package.

The 14-partner firm of Buzzacott and Co., chartered accountants is an exception. It operates with a staff of 120—including 20 qualified accountants and 50 students from an office in Salisbury Square in the City and has all the attributes typical of the average medium-sized accounting firm. It has a few small quoted company audits, an all-round spread of small company, tax and accounting work up and down the country, and a sort of speciality in that it does a number of audits for charities and religious orders. Here clients vary from

the Catholic Daughters of the Cross to the Home for Aged Jews.

Buzzacott hopes to have gross fees this year of £1.2m—an average of about £8,000 a partner against a target for each partner in 1980 of £100,000. The average partner's salary for the current year is likely to be at least £22,000. A junior partner starts at about £13,000 and the highest paid non-partner gets about £10,000 plus.

The age of the partners ranges from 30 to 63 for the most senior. Again contributions to the firm's estimated £1m working capital requirements vary with seniority: but the lowest capital share is £14,000 and the highest £4,000.

Examples of such changes over the past few years include: Arthur Andersen's appointment as auditor of BICC in place of Chalmers Impey; Price Waterhouse as auditor of Reed International in place of Hill Vellacott; LRC's appointment of Whinney Murray in place of Keens Shay Keens; Ransome Hoffmann Pollard's appointment of Peat Marwick Mitchell in place of Tansley Witt; and Slough Estates' appointment of Deloitte Haskins and Sells. Lyle Shipping's appointment of Arthur Young McLelland Moores; Crosby House's appointment of Touche Ross, and Glaxo's appointment of Coopers and Lybrand as its joint auditors.

The pressures towards greater separation of the profession along U.S. lines into firms more or less involved with quoted company audits and those which are not are increasing. One example is the growing demand for the introduction of reviews as an optional alternative to the audit for proprietorial companies. Another is the likely development of the U.S. peer review system in the UK over the next few years.

These quality control and management-type audits have already been forced on the profession in the U.S., where the American Institute of Certified Public Accountants is now divided into two regulatory sections—one for firms with SEC practice clients and one for the large number of other smaller accounting firms. Only last month the chairman of the Securities and Exchange Com-

THE BIG ACCOUNTING FIRMS IN BRITAIN

	Partners	Professional staff*	Staff/partner ratio	Total	Estimated gross fee income 1978
1 Peat Marwick Mitchell	143	2,642	18.47	2,785	30.6
2 Deloitte Haskins and Sells	124	2,331	18.89	2,455	26.0
3 Coopers and Lybrand	121	2,102	17.37	2,223	26.1
4 Price Waterhouse	101	1,608	15.92	1,709	18.8
5 Whinney Murray	105	1,496	14.25	1,601	17.6
6 Arthur Young McLelland Moores	84	1,300	15.48	1,384	15.2
7 Thomson McLintock	125	1,235	9.88	1,360	15.0
8 Touche Ross	82	1,260	15.36	1,342	14.8
9 Turquand Barton Mayhew	48	701	14.60	749	8.2
10 Arthur Andersen	211	1,601	7.59	1,811	19.9
11 Thornton Baker	79	887	11.23	966	10.4
12 Spicer and Pegler	97	750	7.73	847	9.3
13 Joselyn Layton Bennett	82	700	8.54	782	8.6
14 Mann Judd	93	675	7.26	768	8.4
15 Pannell Fitzpatrick	78	630	8.08	708	7.8
16 Binder Hamlyn	79	573	7.25	652	7.2
17 Tansley Witt	50	450	9.00	500	5.5
18 Robson Rhodes	61	369	6.05	430	4.7
19 Deardens	31	375	12.10	406	4.5
20 Hodgson Harris	54	332	6.15	386	4.2
21 Armitage and Norton	30	328	10.93	358	3.9
22 Stoy Hayward					

This data relates only to Great Britain. * Excludes ancillary staff such as secretaries. † Information not provided. ‡ Estimate.

Standards

CONTINUED FROM PREVIOUS PAGE

disagree with the Gardener group's conclusion that there has been little visible evidence of effort, particularly from the Stock Exchange. An active Stock Exchange role in enforcement would do much to encourage the work of ASC.

But all the indications are that the Stock Exchange has no stomach, as it says, for doing the accountants' work for them. On the contrary, it would seem that it is extremely sensitive about making listing requirements any tougher at a time when the prevailing mood is against greater regulation of industry. But it is possible that the new Council for the Securities Industry will have a role to play in place of the Exchange?

Finally, it seems worth recording another Gardener recommendation which appears to have the support of the Watts Stock Exchange. This says that separate standards may be necessary for specific industries, and it mentions property, banking, insurance and oil—sectors which have given the accountancy professions on both sides of the Atlantic more than a fair share of trouble up to now. The road to special cases could hold many easy solutions. But the greatest problem for the Accounting Standards Committee will be to remain independent, striving to serve shareholders first of all, and not forgetting all those other users of company accounts.

M.L.

Ambition

A much abused word, but it has importance to us and for you. Probably you think of yourself as bright, capable, keen to get on—AMBITIOUS. But can you fulfil our requirements? Something like—

- a good academic record that led to qualification?
- the drive and enthusiasm to put that knowledge into practice?
- the intelligence and commonsense to appreciate clients' difficulties?
- the flexibility and initiative to tackle problems as they arise in a top firm?
- personality—how do you communicate with colleagues and clients?
- can you inspire and motivate your fellow staff?

If you think you can, then talk to us about it. Just write or ring to tell us briefly about yourself and your abilities. It's quite easy.

The address is:

J. B. Layton-Bennett & Co.,
Metropolis House,
39-45 Tottenham Court Road,
London W1P 0HL.
Or Telephone 01-638 7777

Corporate Financial Managers

c £10,000 p.a. + car

Our client is a large and diverse London based industrial and commercial organisation. The group has investment and management interests in many companies operating throughout the world, involved in manufacturing, engineering, distribution and services businesses.

The group is pursuing an active programme of growth through both acquisitions and joint venture arrangements, thus creating important career development opportunities at senior levels within the corporate headquarters and operating companies.

Therefore, our client wishes to strengthen its management team by the appointment of two qualified accountants with appropriate experience in industry and commerce, who will be in the age range 30-40. After an initial induction period in the United Kingdom, successful candidates may be required to spend a period of time abroad to familiarise themselves with the group's overseas operations. Candidates, male or female, must therefore be prepared to accept a degree of mobility particularly in the earlier years.

Initial salaries, in the region of £10,000 p.a., will be negotiated according to experience and the other benefits are those you would expect from a major international employer.

Please write, giving full details of your age, qualifications and career history to date, stating the name of any organisation to whom your letter may not be sent, to:

Kelvin Whitfield (Ref 954/FT).

Whites

Whites Recruitment Limited 72 Fleet Street, London EC4Y 1JS

Offices, Associates: Amsterdam, Bristol, Brussels, Düsseldorf, Leeds, Manchester and Wolverhampton

You might not have realised it, but your local Hodge Finance office is your contact with one of the biggest financial organisations in the world.

Of course, when you're just looking for straightforward credit facilities, our financial connections or the size of our assets may not interest you.

But if your business could benefit from the advice that a group like ours can give, or if you'd like to know more about leasing, instalment credit, insurance or any of our investment schemes, then our financial standing becomes more important.

The Hodge Group itself has assets in excess of £300 million. But we're also a member of the Standard Chartered Bank Group, Britain's largest independent international bank with 1500 offices in some sixty countries. Their assets exceed £7,600 million.

So whenever you walk into any of our one hundred Hodge Finance offices and meet the local Manager and his staff, then you've introduced yourself to the helping hand of Hodge Finance: one of the most flexible, wide-ranging financial services in the country.

Simply look up our nearest office in your local phone book. (In East Anglia, look under Garfield Williams).

Or get in touch with Roy Wright, Development Manager, Hodge Finance Ltd., Cardiff. Phone: 0222 42577 (70 lines).

Hodge Finance
A member of
Standard Chartered Bank Group
THE HELPING HAND
IN A HUNDRED HIGH STREETS

The nice thing about dealing with Hodge Finance is the £7,600 million behind them.



Promises.

International isn't synonymous with impersonal

Of course you'll receive wide ranging experience

If you do well you should progress rapidly

If you would like to find out more facts about us, we promise you won't be disappointed.

Facts.

Talk to the people who know us. You'll soon discover what it means to work with an International firm that believes in identifying and encouraging your individual contribution.

Just consider our client portfolio. You'll find every facet of industry and commerce and every type of business and business structure represented.

Whatever status titles you are used to, the facts are we are looking for evidence of supervisory and managerial potential as soon as you join us. And we'd expect you to achieve this kind of responsibility within two years of qualifying.

Contact Nicholas Land in London
Turquand Barton Mayhew & Co.
Lynton House, Tavistock Square,
London, WC1H 9LS.

TBM

LONDON • BRISTOL • EDINBURGH • EXETER • GLASGOW • LIVERPOOL • LONDON • MANCHESTER • NEWCASTLE • SHEFFIELD • GUERNSEY • JERSEY
AFRICA • AUSTRALIA • BELGIUM • FRANCE • GERMANY • ITALY • NETHERLANDS • PORTUGAL • SPAIN • SWITZERLAND • THE FAR EAST • AND MAJOR WORLDWIDE LOCATIONS.

ACCOUNTANCY IV

Some leaders in the profession

The profiles on this and the following page were written by Michael Lafferty, Barry Riley and Terry Ogg. Together they provide a representative selection of the work of accountants in public practice, industry, Government, research and similar fields.

Mr. Eric Sayers

MR. ERIC SAYERS is only the second President of the English Institute of Chartered Accountants with a background in industry. At 61 he is chairman of Duport, the Midlands motor components group, having previously been managing director, and a board member since 1962. As such he is probably typical of senior chartered accountants in industry who now account for some 80 per cent of the finance director positions among major UK companies.

Mr. Sayers qualified as a chartered accountant shortly before the outbreak of World War II and after two years with the Royal Air Force he was seconded to the Ministry of Aircraft Production where he was mainly engaged in cost investigations. He has specialised ever since in management accounting and business man-



Mr. Eric Sayers, President of the Institute of Chartered Accountants in England and Wales and chairman of the Consultative Committee of Accountancy Bodies.

Mr. Tom Watts

A YEAR ago Mr. Tom Watts was planning his imminent retirement after working for 44 years in Price Waterhouse, where he became an article clerk at the age of 17 and a partner at 46. During his time as a partner in PW he had built up a considerable reputation as an accounting theorist, had become the firm's first technical partner and served on the council of the English Institute of Chartered Accountants.

In the seventies he had become known as the accountancy profession's "Mr. Europe" and because of the time he devoted to representing the Institute and advising the Department of Trade on EEC company law harmonisation matters. Yet he had never held any of the high offices of his Institute—some say because he has never been afraid to speak his mind.



Mr. Tom Watts, Chairman of the Accounting Standards Committee.

Mr. Douglas Morpeth

IT IS now just about a year since the members of the English Institute of Chartered Accountants effectively rejected the exposure draft ED 18 produced by the Inflation Accounting Steering Group under the chairmanship of Douglas Morpeth. A further setback for the group came when plans to publish revised and simplified proposals were turned down by the accountancy bodies in the interests of giving a clear run to the Hyde Guidelines. But Mr. Morpeth did not give up, and in continuing to lead the group in the development of current cost accounting he has again displayed the ability and resourcefulness which took him very high in the profession at a comparatively young age.

A Scot, he has been prominent in the affairs of the English Institute. He joined the Council in 1964, was chairman of the Parliamentary and Law Committee from 1966 to 1969, and became president of the Institute in 1972-73. Mr. Morpeth is vice-chairman of the Accounting Standards Committee, and

of course is widely known for his work on inflation accounting. His professional career, meanwhile, has been spent at Touche Ross, which he joined in 1952, becoming a partner in 1956; until 1972 his specialisation was in the Touche Ross Board of partners, with responsibility for the business development of the firm. In addition he recently became chairman of Clerical, Medical and General Assurance among other external appointments.

At the time it was set up the chairmanship of the Inflation Accounting Steering Group appeared to be one of the plum jobs in the world of accounting, but in the event it has turned out to be a very hot seat. The group accepted the ambitious timetable laid down by the Sandilands Committee, but unlike Sandilands it had to deal with the grassroots of the accounting profession.

Mr. Morpeth also entered into a somewhat controversial situation when he became one of the two Department of Trade



Mr. Douglas Morpeth, Chairman of the Inflation Accounting Steering Group.

Inspectors into the collapsed Court Line holidays group. The Inspectors' report, published in March this year, criticised Court Line's accounting methods and stated that the 1973 accounts did not give a true and fair view.

Mr. Kenneth Sharp

ALTHOUGH FOR many years a partner in the Carlisle firm of Armstrong Watson in one of England's remotest corners, Kenneth Sharp has more recently established himself right in the centre of the Whitehall corridors of power. Since 1975 he has been head of the Government Accountancy Service. His stepping-stone to this position—incidentally an entirely new post—was his year as president of the English Institute of Chartered Accountants in 1974-75.

At one time he was the youngest member of the Institute's Council, which he reached in 1966 at the age of 33. His energy and enthusiasm took him six years later to the vice-presidency, and he became one of the few presidents to originate from outside the big accounting firms. This naturally gave him a special interest in the problems of the smaller audit.

The post of Head of the



Mr. Kenneth Sharp, Head of the Government Accountancy Service.

Government Accountancy Service arose out of a 1973 report on accountants in the Civil Service by Sir Anthony Burn and Sir Ronald Melville. It was proposed that a professional structure should be set up for accountants within the Civil Service, on the lines of those already in existence for lawyers, economists and statisticians.

Kenneth Sharp was the man recruited to give shape to the new policy. His brief was to advise on the work, management and deployment of professional accountants within Government departments. He also took on the post of adviser to the Department of Industry.

Much of his work embraces unglamorous areas like the use of internal audits (carried out by qualified accountants) as a means of achieving greater efficiency within the public sector. But he has often proved willing to air his views in public on many controversial topics. In recent months, for instance, he has criticised the Cross Committee proposals on disciplinary procedures, and called for ways of implementing current cost accounting for small businesses on a voluntary basis.

Mr. John Grenside

THE AGE of dominant personalities is past. It is now the era of the team, according to John Peter Grenside, the man who understudied the ebullient Sir Ronald Leach for three years before succeeding him as senior partner at Peat Marwick Mitchell late last year.

"My chief concern is to progress the firm of Peat Marwick Mitchell," he says. "Now how far in today's environment it is possible to make a personal impression while doing that is difficult to say. As senior partner, one's greatest efforts are to rationalise, and harness in harmony the excellent, free-thinking individuals that make up the partnership."

A solicitor's son, Mr. Grenside opted for classics at Rugby and entered the accountancy profession at the suggestion of his father. It offered better all-round training and prospects than the law, which was Mr. Grenside's natural, if not very

strong, preference. War service in the Royal Artillery interrupted his training. In 1948 he qualified and joined PPM, becoming a partner in 1960, and senior partner designate in 1974 before his present elevation.

In the early-60s he began to get involved in Institute affairs through the Overseas Relations Committee and the Parliamentary and Law Committee. He became president of the Institute in 1975-76. "There's not much one can do in one's year as president of the Institute. It's a matter of progress, of the Institute and the profession," he says.

Earlier this year he was appointed to chair the joint committee established by the profession to develop the Cross Committee recommendations. "One can never be completely happy with the outcome of a committee's examination of a subject as complex as a profession's attempt to regulate

the quality of its work," admitted Mr. Grenside. "What is proposed cannot stand on its own. It is a particular element of a scenario designed to improve the profession's position and restore public confidence that, rightly or wrongly, has been shaken by recent criticisms."

"We had to strike a balance between what we believed the industry would accept and something draconian. Draconian measures can be counterproductive in that they chase good people out of the profession. We also had to be careful not to set up a committee of perfection. After all, nobody runs an airline without having a crash."

He intends to stay in the chair at Peats for the next six to nine years. During that time the partnership's college of cardinals—the 20 or so may not be a particularly democratic way of selecting a successor to senior partner but it works, he declares.



Mr. John Grenside, senior partner, Peat Marwick Mitchell.

Williams & Glyn's knows that businesses need bank managers who understand business

When inflation changed the rules of financial management, it also changed the relationship between companies and their banks. Today companies look to their banks as never before for co-operation and advice.

So Williams & Glyn's encourages its managers to go out and visit customers on their home ground. In this way, the managers obtain a first-hand understanding of the business that no balance sheet could ever give them.

You'll find Williams & Glyn's is more alert in other respects too. We can give you a decision, even on a major proposition, more quickly because there is no elaborate hierarchy within the bank to delay it: the chain of command is short and direct. Wouldn't you like a bank that understands the way we live now?

Call in at your local Williams & Glyn's branch. Or write to: Marketing Development Office, Williams & Glyn's Bank Ltd., New London Bridge House, 25 London Bridge Street, London SE1 9SX.

Five ways to more profitable business

- 1 Working Capital**
Williams & Glyn's managers can advise you on the most suitable ways of providing working capital for your particular business.
- 2 Instalment Credit**
Through a subsidiary company, St. Margaret's Trust Ltd., Williams & Glyn's can provide instalment credit for the purchase of goods or equipment.
- 3 Quick Decisions**
The shorter chain of command at Williams & Glyn's ensures you of a quick response.
- 4 Cash Flow Control**
Williams & Glyn's specialists are always ready to help with advice.
- 5 Medium-term Loans**
A more formal arrangement for loans from 2-7 years for the purchase of new plant and equipment, etc.

WILLIAMS & GLYN'S BANK LTD

The most flexible of the big five banks

A member of the National and Commercial Banking Group and one of the Inter-Alpha Group of Banks

Making the most of it

If you take a simple square with 8 units along each side and cut along the lines indicated, it can easily be assembled as a rectangle. It seems a simple enough exercise but it has one extremely intriguing result.

The original square, which was 8 x 8 had, of course, 64 units but the rectangle which is 13 x 5 now has 65 units!

We all know it can't be true but where does that extra square come from?

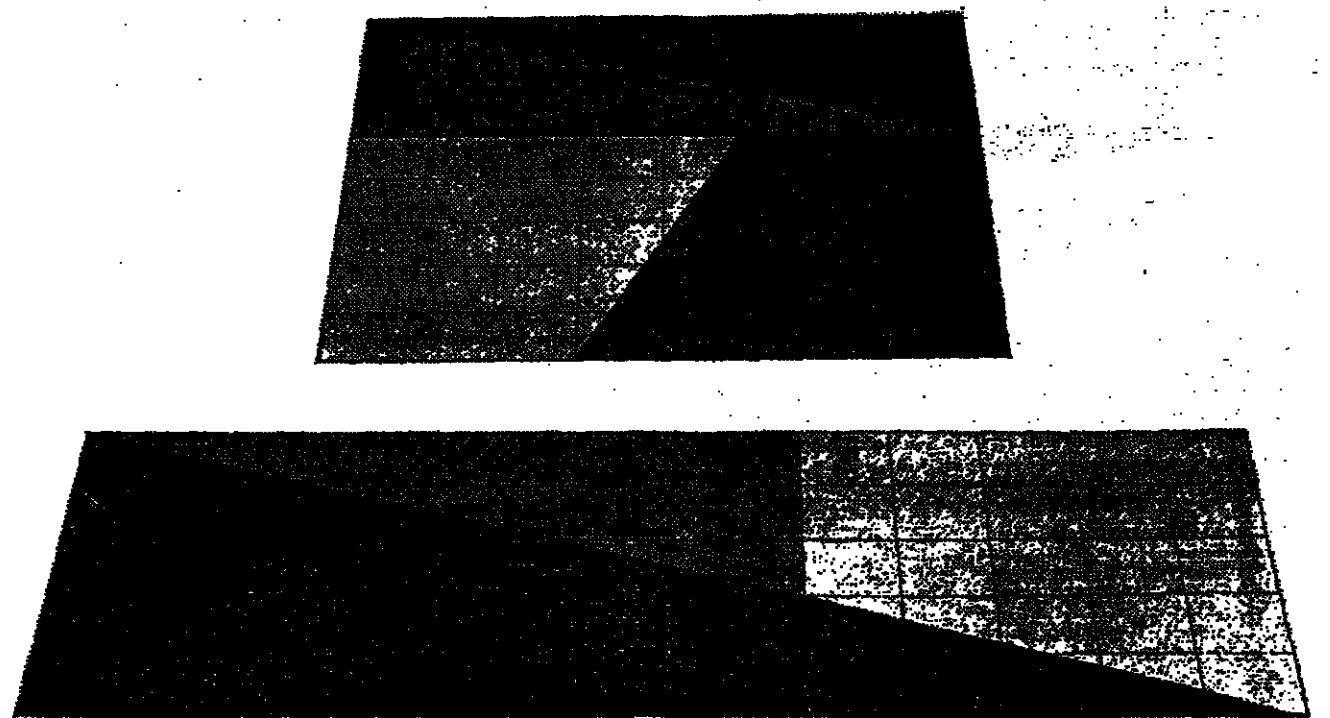
If you are a newly qualified accountant, we expect you are looking for ways to get something extra out of your career and we believe we can help.

We are an international firm and can give you very broad experience in every aspect of modern accountancy.

You can be sure of the best possible training, the maximum encouragement and the opportunity to make the most of your talents.

Contact:
Michael Fowle, Staff Partner, Peat, Marwick, Mitchell & Co.,
1 Puddle Dock, Blackfriars, London, EC4V 3PD
Tel: 01 236 8000

Our staff are our best advertisement



Our other U.K. offices include: Birmingham, Bradford, Bristol, Camborne, Cardiff, Darlington, Edinburgh, Glasgow, Leeds, Leicester, Liverpool, Manchester, Middlesbrough, Newcastle, Norwich, Nottingham, Preston, Reading, St. Austell, Sheffield, Southampton, Stoke on Trent, Swansea.

M. Ian Hay Davison

OTHER Professor William's recollection that Ian Davison is the only LSE secretary who is wholly true, not sound too far off. For Ian Hay Davison, 49, is in all sorts of ways, a highly successful professional life so far, abled in politics, and in mind airing his controversies on what are the most sensitive sub-accounting.

First and foremost Ian Davison is Arthur Andersen, managing partner, Arthur Andersen UK.

Mr. Ian Hay Davison, managing partner, Arthur Andersen UK.



Mr. Ian Hay Davison, managing partner, Arthur Andersen UK.

still the smallest of Eight international firms in UK terms, but it is catching up. In 1972 the firm did 17 company audits; now it is getting more than an share of Government public sector consultancy recent years for a firm. It may have been in the old days, now Andersen is said to be aggressive in the services market.

Ian Davison has recognised the importance of involvement in the young in his professional life. Many who know him say he has done five years on the job of the London and Society of Chartered accountants, but forecast this is unlikely for some time because he ruffles too many feathers in the Moorgate Place Council chamber of the Auditing Committee, the education too late, for above all else training committee, Ian Hay Davison does not lack Morpeth steering group, ambition.

Professor Edward Stamp

IT SEEMS odd that the best known accounting academic in the UK should not even hold a British accounting qualification — but it is true. The man in question is of course the 49-year-old Canadian-born Professor of Accounting and Finance at the University of Lancaster, Professor Edward Stamp.

Eddie Stamp trained as a chartered accountant with Clarkson Gordon, Canada's big accounting firm, and became a partner at the age of 31. But the prospect of spending the rest of his life solving the limited number of problems his clients came up with led him to give up this comfortable existence for "the freedom and independence" of academic life.

His first teaching position was at the University of Wellington in New Zealand, where he soon ended up a professor. In 1967 he came back to the UK (he had read his MA at Cambridge) to become the first full-time professor of accounting at the University of Edinburgh; where he remained for four years. It was here that he first attracted attention in the UK accounting profession after launching a campaign for better accounting



Professor Edward Stamp, J. Arthur Rank Research Professor and Director of the International Centre for Research in Accounting in the University of Lancaster.

standards in The Times which eventually played a large part in the establishment of the Accounting Standards Committee.

Ever since he has rarely been quiet for long. He has been involved, either as a committee member or as a commentator, in

all the main accounting issues of recent time, including the Solomons report on education and training, the controversial Corporate Report, auditing standards and professional discipline, inflation accounting and, latest of all, the recent UN disclosure proposals for multi-nationals.

In all this Professor Stamp differs considerably from the traditional UK accounting academic who prefers to work away from the public gaze. At Lancaster his accounting department, with 17 full-time staff, is the largest in the country. He also heads up the International Centre for Research in Accounting at Lancaster, the only such unit outside North America.

Professor Stamp's work has been recognised in several countries. Only last year he became the first European academic to get the American Accounting Association's award of distinguished international visiting professor. His next public blast looks likely to come from a book on international auditing standards due out this autumn. Eddie Stamp reckons the UK profession's Auditing Practices Committee could learn a thing or two from reading it.

Mr. Patrick Custis

PATRICK CUSTIS is a prominent representative of the substantial body of chartered accountants who work in industry. When he spoke up in public at a Financial Times conference on inflation accounting in 1976 his views struck chords elsewhere: his speech was instrumental in the formation of the Midlands Industry Group of Finance Directors. This is one of four similar groups

which now exist, representing the opinions of senior finance men in industry.

Born and educated in Dublin, Paddy Custis is comprehensively qualified, for as well as being a fellow of the English Institute of Chartered Accountants he is a fellow of the Institute of Cost and Management Accountants and a fellow of the Chartered Institute of Secretaries and Administrators.

After qualifying as an accountant he joined Sir Val Duncan's team at RTZ in the early 1950s. In 1955 he moved to the Midlands and to Glynwed, where he began as a group accountant and eventually became a subsidiary company director. The next move was to GKN in 1967, where his initial post was as controller international. There followed a spell as a director of the group's Birfield transmissions business, and after a short period as group controller of GKN Mr. Custis was appointed to his present post of director of finance in April 1974.

As chairman of the Midlands Industry Group — the so-called Midland "Reds" — he came out strongly in favour of a



Mr. Patrick Custis, finance director, GKN Ltd.

gradualist approach to current cost accounting, rejecting the ED 18 proposals as too complex and endeavouring to do too much too soon. He urges that accountants from industry should play a much bigger role in the development of accounting standards, a process which until now has been heavily dominated by accountants from the big professional firms.

Mr. Martin Gibbs

MARTIN GIBBS confesses that he got involved almost by mistake with inflation accounting, the subject which has brought him into the public eye. It was about six years ago that he took over the writing of a paper on inflation accounting at short notice from a colleague. Since then he has published many articles, given many speeches and been at the forefront of the debate.

In 1959 Martin Gibbs had left Chalmers Impey to join the stockbroking firm of Phillips and Drew at a time when the stock market was enjoying possibly its most profitable bull market ever. He joined, incidentally, a five-strong research department which consisted entirely of accountants. The bull market soon faded but Mr. Gibbs stayed and in the course of working his way up to his present position of senior research partner he has made a substantial contribution to the building of Phillips and Drew's reputation as a leading research house.

After serving on a Stock Exchange committee on inflation accounting he joined the working party which was established by the Morpeth Steering Group to investigate adjustments for monetary assets and liabilities. Mr. Gibbs was also a member of the study group, set up by the Accounting Standards Committee, which produced the controversial study The Corporate Report. Last November he was invited to join the ASC itself, where he



Mr. Martin Gibbs, senior research partner, Phillips and Drew.

plays an important role as a representative of the investment community.

Martin Gibbs regards his part in the adoption of a gearing adjustment in the Hyde Guidelines as perhaps his major achievement. But he goes further, arguing skilfully and persistently that debtors and creditors should be distinguished from other monetary items, and he is continuing to campaign to get the Hyde formula improved in this respect. He points to ICI's recent current cost accounts as an important step forward.

Major firms dominate

CONTINUED FROM PAGE 11

mission, Mr. Harold Williams, expressed the view that the peer review system would shortly have to be extended to the foreign offices of U.S. accounting firms, or their associates, which are involved in the audit of companies coming under the agency's jurisdiction.

Among the smaller practitioners of the profession work is by all accounts booming as ever-increasing numbers of people, particularly those with more than one source of income, seek professional tax advice. There are also indications that professional accountants are playing a greater role in the affairs of their smaller family business clients. This is evidenced by simple things such as

accompanying a client when he goes to his bank manager for finance and the preparation of basic budgets and management accounts.

But there are problems here too, not the least of which is staff. Small practitioners find it difficult to pay the same rates to unqualified and often part-time labour. One of their greatest problems lies in convincing the young student that life is even more exciting with them and experience more wide-ranging than doing fixed asset or systems audits at the top-in companies like GEC or Grand Metropolitan.

M.L.

It'll take just one day to show you how to save more tax in 1979.

Saving tax is now more than ever the province of the specialist. Marchmont Conferences offer the interested an ideal chance to update on the latest thinking.

6 Sept. 1978 Personal Tax Saving for Directors (London)
13 Sept. 1978 Personal Tax Saving for Directors (Birmingham)
18 Oct. 1978 Tax Strategy for Companies (London)
15 Nov. 1978 Tax Saving for the Self-employed (London)
13 Dec. 1978 Tax and the Family Company (London)
10/11/12 Jan. 1979 International Tax Planning Conference: Nassau
24 Jan. 1979 Tax Savings for Professional Partnerships (London)
14 Feb. 1979 Personal Tax Saving for Directors (London)

For further information regarding these conferences please contact the Conference Administrator.

Marchmont Conferences

Vogue House, 1 Hanover Sq., London W1R 9RD. Tel: 01-491 7513

Auditing Standards: From Discussion Drafts to Practice

Frank Attwood and Clive de Paula

Provides the auditor with a yardstick to assess his work and gives a practical illustration of how audit procedures may be tailored to meet the new standards proposed.

£6.95

post free from

The Institute of Chartered Accountants in England and Wales

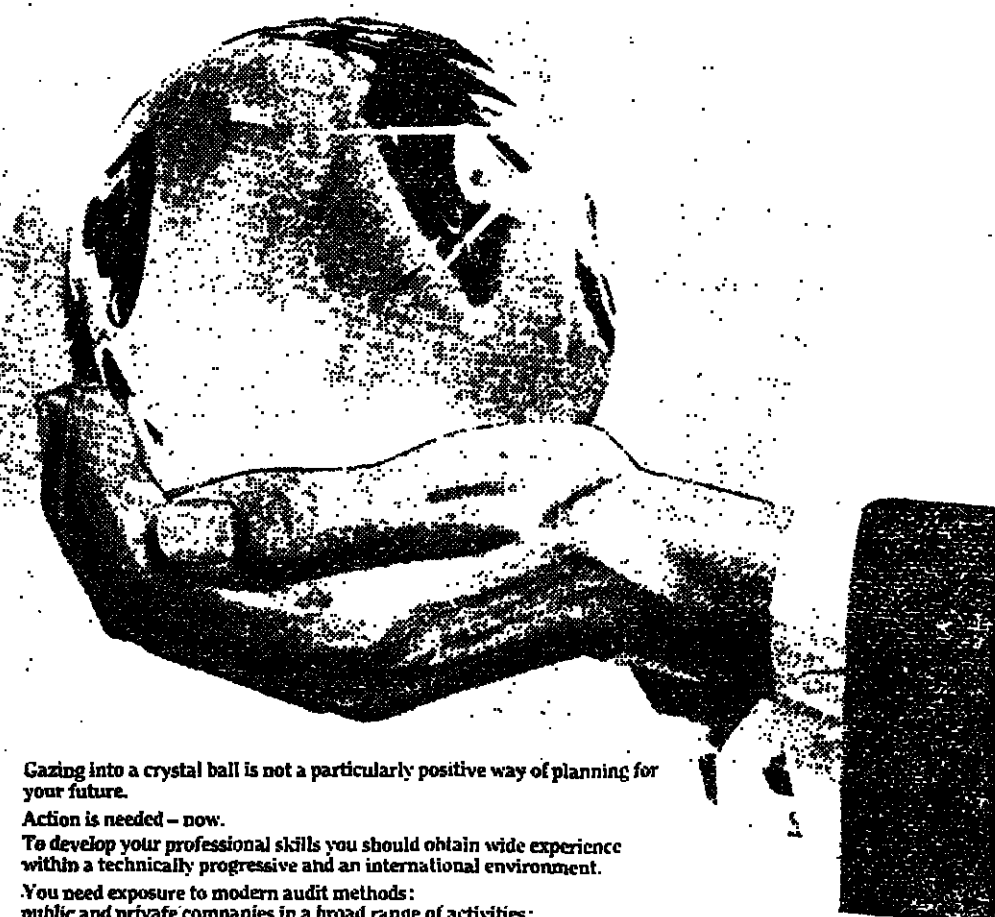
ORDER FORM (payment with order please)

To: The Publications Department, The Institute of Chartered Accountants in England and Wales PO Box 433, Chancery Accountants' Hall Moorgate Place London EC2P 2BJ
Please send me... copies of Auditing Standards: From Discussion Drafts to Practice at £6.95 per copy. I enclose a cheque for £..... (payable to CHARTAC)

Name.....

Address.....

Accounting for the future



Gazing into a crystal ball is not a particularly positive way of planning for your future.

Action is needed — now.

To develop your professional skills you should obtain wide experience within a technically progressive and an international environment.

You need exposure to modern audit methods: public and private companies in a broad range of activities: E.D.P. systems and special work.

Our national firm, with its partners throughout Europe and close associations worldwide, offers this type of experience, plus opportunities to specialise in taxation, insolvency or management consultancy.

Your action today could secure your future tomorrow.

Write to John Chalmers at N.1, Bridge Street, London, ECA 4DA or telephone him on 01-353 3020 or contact our other offices in the U.K.

Binder Hamlyn

Bury St Edmunds: John Barker - Bury 3213
Birmingham: Clive McGee - Birmingham 236 4462
Bury St Edmunds: Mike Fulcher - Bury St Edmunds 63211
Croydon: John Coward - London 681 3321

Glasgow: Neil McNeil - Glasgow 236 3761
Leeds: Harry Baker - Leeds 35601
Manchester: Anthony Levin - Manchester 431 7121
Nottingham: John Christopher - Nottingham 12071

Management Accountant-Marketing Consumer Products

With an annual turnover in excess of £200 million and a range of tissue products including such well-known brand leaders as Scotties, Handy Andies and Andrex, Bowater-Scott is a familiar name in the UK consumer market. The contribution of our management accounting function, which provides an objective commercial appraisal of company operations, is widely recognised as a key factor in our continuing success.

The position reports to the Group Marketing Management Accountant and the prime responsibility will be to work with Consumer Marketing Personnel on identifying, evaluating and advising on any areas within the marketing function where company profitability and market share can be increased. As a member of the corporate

management accounting group, you will also need to be conversant with the planning and production functions.

For a young qualified accountant (ACA, ACCA or ACMA) with at least two years' post-qualification experience, this position represents a career opening with extremely bright prospects. Salary is fully negotiable and a generous range of large company benefits includes free BUPA membership. Initially based at our Knightsbridge head office, the post will be subject to relocation to East Grinstead in June 1979; full expenses will, of course, be payable.

Please write quoting ref/F71 with full personal and career details to: Miss Simone Slade, Bowater-Scott Corporation Limited, Bowater House, Knightsbridge, London SW1.

BOWATER * SCOTT

FOR TOMORROW'S ACCOUNTANTS

THE ASSOCIATION OF INTERNATIONAL ACCOUNTANTS



THE WORLD WIDE ORGANISATION FOR ACCOUNTANTS
THE PROFESSIONAL BODY FOR THE ADVANCEMENT OF INTERNATIONAL ACCOUNTANCY.

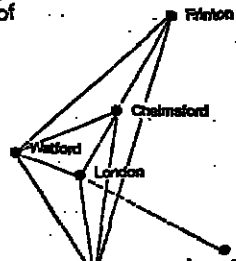
Further information available from:
THE ASSOCIATION OF INTERNATIONAL ACCOUNTANTS
LIMITED (By Guarantee)
TURVEY ABBEY, TURVEY, BEDFORDSHIRE MK43 8DE.
TELEPHONE (023064) 471.

Working with us would work with you

because our 17 partners are all actively involved with both clients and staff.
So, if you want a career where you can extend your general experience but still have a chance to specialise, telephone one of the men you could be working with.

London
01 588 3504
Chesham
54402
Redhill
65451
Watford
48134
Frinton
2740

P.L. James
T.J. Griffin
P.J. Lodge
G.W. Martin
W.J. Hollis
F.C. Parslow
T.P. Malone
J. Cawdry



RUSSELL LIMEBEER
Chartered Accountant
2 Broad Street Place, Finsbury Circus, London EC2M 7ER

THE COMPLETE ANSWER SERIES

1. THE PRINCIPLES AND HAZARDS OF ACCOUNTING, £1.95
2. BALANCE SHEETS—QUESTIONS ON INTERPRETATION, 95p
3. NEW title in the course of preparation: INFLATION ACCOUNTING AND BALANCE SHEET INTERPRETATION

Details of other titles sent on request.
Available at leading bookshops, or direct from:

TELES LANGDON PUBLICATIONS (SALES) LTD.
29 Park Street, Croydon, CR0 1YD. Tel: 01-686 2740

BUZZACOTT & CO.

A medium sized, expanding firm of City Chartered Accountants have opportunities for newly qualified Audit Seniors. Write with full particulars to: A. T. B. C. Simpson, Personnel Manager, Buzzacott & Company, Salisbury Square House, 8 Salisbury Square, London EC4.

TODAY'S PROBLEMS—TOMORROW'S EXPERIENCE

Being a Chartered Accountant has never been easy but at Moore, Stephens & Co. we are solving the problems of today and building up the experience necessary for tomorrow.

We have 28 partners in London, associated offices throughout the World and a national practice giving a comprehensive service to a wide range of clients. Our continuous training programme is designed to help you gain the most benefit from post qualification education and maintain the high standards we have set down for ourselves and our major international associates.

We can offer you the opportunity to develop your professional skills and technical abilities to achieve the wide experience needed to solve today's problems. As well as audit and accountancy you can also specialise in taxation, investigations and management consultancy.

If you are interested in shaping your future today write to Douglas Russell, Staff Partner, Moore, Stephens & Co., St. Paul's House, Warwick Lane, London EC4P 4BN or telephone on 01-248 4499.

MOORE, STEPHENS & CO.

ACCOUNTANCY VI

Putting the house in order

UNTIL ABOUT a decade ago little was to be read about the accountancy profession, or the art of accounting and financial reporting in the national Press. Then in 1969, after a series of "public cases," the English Institute of Chartered Accountants (later to be joined by the other main accounting bodies) decided to take upon itself the task of laying down rules which companies would be expected to follow—to avoid the risk of getting a qualified audit report—in preparing their accounts.

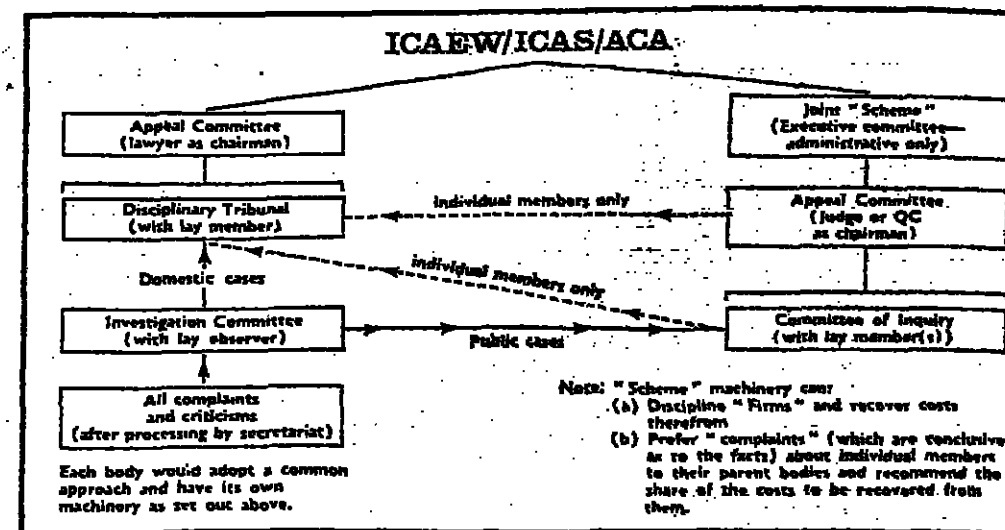
From then on accountants have been very much in the public eye. It was almost as if, after complaining for years that they were being ignored, the accountants had at last achieved their place in the sun. Alas, it was not to be all sunshine. There were clouds too. The storm took its time breaking, but when it did so in 1976—in the aftermath of the secondary banking and property collapse a couple of years earlier—it almost turned into a cyclone. The profession was knocked off balance by the extent of the criticisms against respected accounting firms, and the publicity that each affair attracted.

Suddenly, distinguished auditors were being accused of bad workmanship—in effect failing to do their duty to shareholders—by Department of Trade inspectors, one of them usually a fellow senior chartered accountant from another accounting firm. And the profession had no easy answer to those, like the financial

Press, who asked whether the revelations were typical, what measures would be taken against those criticised and, most important, what provisions existed to ensure that similar failings did not arise again.

But it responded in the end by setting up committees to look into the various problems raised by the "scandals." One of these was the decision to proceed with a programme of auditing standards. The others included:

- The establishment in October 1976 of a committee of inquiry under Lord Cross of Chelsea, to consider "to what extent, if any, the investigatory and disciplinary organisations and powers of the three (accounting) bodies may require to be changed to enable them to deal both effectively and justly with the allegations of unsatisfactory professional conduct by any member."
- Cross reported in November 1977: "the publication, in December 1977, of draft new ethical rules, including provisions dealing with independence;"
- the announcement in October 1977 of a new policy of public statements, said to be similar to those issued by the Takeover Panel, drawing the attention of the profession to the conclusions and lessons which may be learned from particular Department of Trade reports involving criticisms of accountants;
- in December 1977 it was declared that wider publicity would be given in future to members who have been disciplined in regard to public interest cases;
- following the Cross Report



Disclosure

Another aspect of the Cross Report was its disclosure that the Government had indicated its unwillingness to give the accountancy bodies statutory powers in the area of investigation and discipline such as exist for doctors and solicitors to compel third parties to give evidence or to disclose documents.

Cross believed that the absence of such powers would make the job of policing professional standards infinitely more difficult, and he could not propose any way round the problem. Whether this was a nod or a wink, it is to the credit of the profession that it decided to take another look at the problem via the Grenside conduct, efficiency and competence of members and of member

statutory powers would be a major disadvantage. What is significant about the second report is the determination it shows to make the best of the situation without the help of the law.

The main Grenside recommendations, which have already been supported by the councils of the main accounting bodies, are:

- the extension of disciplinary jurisdiction to include inefficiency and incompetence to such an extent or on such a number of occasions as to cause concern about its effect on the standing of the profession;
- the establishment of joint machinery ("the joint scheme") to inquire into and make findings upon the professional conduct, efficiency and competence of members and of member

firms in circumstances which give rise to public concern; the inclusion of lay members at all levels in the investigatory and disciplinary processes; the creation of practice advisory services; stricter control over practising certificates; the need for development of the continuing professional educational programme.

One of the most significant features of the proposed joint scheme is that disciplinary action will be only taken against accountants found wanting will be dealt with by the normal disciplinary processes of his own accounting body.

The joint scheme—so-called because it is intended to cover the English and Scottish Institutes of Chartered Accountants and the Association of Certified Accountants—is to be established by means of an enabling clause in the respective bodies' constitutions providing that (a) members in practice must undertake on behalf of their firms to cooperate; (b) individual bodies' investigation committees will refer cases to the joint scheme machinery when the public interest is involved; (c) the domestic disciplinary committees must accept as conclusive any findings of the joint scheme, thus avoiding the need for re-investigation. The accompanying chart shows how the whole process is intended to work.

The great drawback of joint scheme is its cost. According to Grenside, a single inquiry into a complex matter could cost over £50,000, though the average is more likely to be around £30,000. This could be in part by the proposed power to recover costs from offending firms and members, but the balance would have to come from levies on individual accountants totalling some £100,000 annually. A further recommendation is for a capital levy of £2 for each accountant, with an additional levy each partner in every U.K. firm. This would vary from £3 partner in a two-partner firm to £50 per partner in firms with over 60 partners.

Another feature of the joint scheme is that it is to be implemented at a time when there is re-kindled enthusiasm for regulation right throughout the City. This has already manifested itself in the new Council for Securities Industry, on which accounting bodies are represented. With such back-up, the planned undertakings for partners in accounting firms support the scheme it would seem that the Grenside proposals have a fair chance of working.

But the accountancy bodies know only too well that the scheme will not have established itself until it has dealt with one of the major accounting firms. The sentence hands out then will probably determine whether self-regulation has a future in accounting.

Complying with EEC directives

THE PAST YEAR has brought the approval of one important EEC directive and the publication of the draft of another one, known as the eighth directive on the professional qualifications of auditors. The first is much more important for companies in general. It is the famous fourth directive on annual accounts, which received the approval of the Council of Ministers (in the shape of the

EEC States' Foreign Ministers) on June 27. This directive is expected to be published about now.

The fourth directive has been approved only after many years of lengthy legal wrangling among civil servants from each member State as well as Commission officials. As such it is reasonable to presume that it has much of the character of the lowest common denominator about it. Yet it cannot be dismissed even by such an advanced country as Britain.

It is likely, for example, that the fourth directive will lead to substantial changes in the way British companies present their accounts. This is because for the first time in the history of UK company law there will be legislation laying down standard formats for both the profit and loss account and the balance-sheet. Prescriptive accounting of this nature is common in countries like West Germany, France, and Belgium.

The directive includes four alternative layouts for the profit and loss account and two for the balance sheet, but how this will be written into member States have the option of limiting applicability within their own countries. Apart from the insignificant option of vertical and horizontal balance sheets and profit and loss accounts, the only real choice is between the income statement where expenses are more interesting aspects of the analysed by type (eg, wages) by operation—for example,

distribution and administrative expenses. It is to be hoped that Britain will legislate only for the latter, since the other profit and loss formats have nothing new to offer.

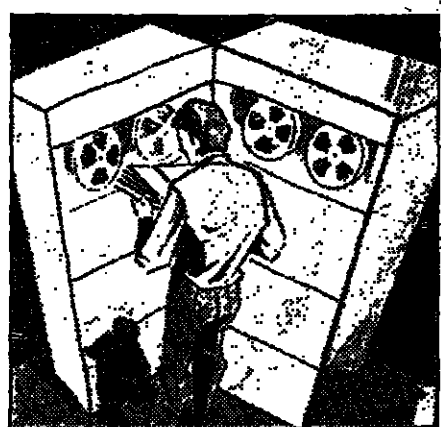
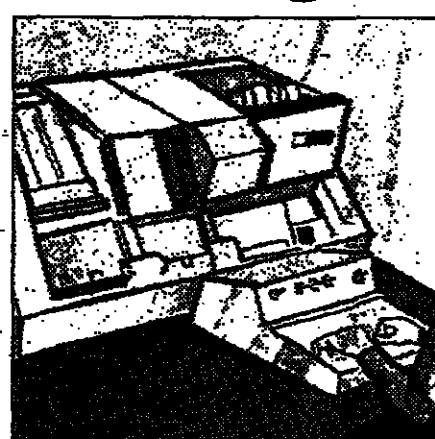
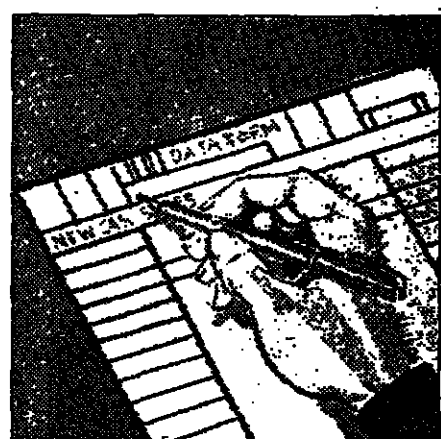
The fourth directive is only meant to apply to individual company accounts, however having originally been drafted to harmonise accounting in six countries where consolidation was not the common practice. But it is being suggested that the UK will implement it as applying directly to group accounts, so avoiding the unnecessary duplication of having holding company accounts drawn up on a fourth directive basis (with an added P and L account) and the consolidated version as it is now.

An important point for UK companies at least is that the directive embraces the true and fair view requirement, specifically stating that where that compliance with the law does not give the necessary view, they must do whatever else they consider more appropriate. It remains to be seen for the balance sheet, where the notion of "if it's not in the law, it's not done" is the order. Incidentally, companies will not be obliged to follow the layouts exactly as published; they can relegate detail to the notes.

The following are among the more interesting aspects of the directive, as far as British companies are concerned.

CONTINUED ON PAGE VII

Sooner-or-later data processing...



-and the alternative

There's no simpler solution to data entry problems than the Model 770 Intelligent Terminal. It checks and verifies data at the point of origin, and then feeds it, error free, directly to your main computer.

First in the "Series 700" range of distributed processing systems, the 770 is designed for everything from sales order entry to insurance claims processing. It raises the efficiency of transport scheduling, departmental reporting, sales analysis, financial accounting and every other company function which can be improved by distributed processing.

Its simple, forms-oriented language makes it easy to use and, when linked to our 704/1 Terminal Polling System, up to 200 Model 770s can be polled unattended 'after hours' when phone charges are lowest.

You can buy the 770 at very attractive prices, or use our flexible leasing programme.

Error-free data entry from any point you choose... the 770 can only make your business a great deal more efficient. Call the nearest TI office, or complete and send the panel below for full details.

We get it right.

SERIES 700

DISTRIBUTED PROCESSING SYSTEMS *Trademark of Texas Instruments



The 770 Intelligent Terminal

TEXAS INSTRUMENTS LIMITED

European Digital Systems Division,
Data Terminal Marketing, MS33A,
Manton Lane, Bedford MK41 7PA. Tel: 0234 67466 Telex: 82178
Stockport Tel: 061 442 8448 Slough Tel: 0753 35345

Name _____

Position _____

Company Address _____

Tel. No. _____
FT/770/6/1

Get the right partners

For a successful career in accountancy having the right rapport with your firm's partners is essential.

Dearden Farrow partners have the experience to guide and instruct; a valuable advantage to be considered by both students and qualified staff. We also have a planned training programme with progressive pre- and post-qualification experience.

Prospective staff considering a move in our direction should get in touch with George Bunney, our Staff Partner.

Dearden Farrow
40 Avenue Hill, London EC4V 3AP Tel: 01-353 6085
Offices in London, Manchester, Harrogate, Leeds, Croydon, Bradford, Bristol and Isle of Man.

Big firm experience can teach you a lot and heighten your ambition

Whether you work for us in London, elsewhere in the UK or abroad, you will find that Deloitte Haskins & Sells will give you a 360 degree prospect on the world of business.

Recently qualified accountants and finalists should contact:-

J. A. Wechsler,
Deloitte Haskins & Sells,
128 Queen Victoria Street,
London EC4P 4JX.

**Deloitte
Haskins + Sells**

London Belfast Birmingham Bradford Bristol Cardiff Edinburgh Glasgow Gloucester Liverpool Manchester Newcastle Newport Nottingham Southampton Swansea Dublin

Fresh attention being paid to student training

There is probably no more commerce or the profession. It is a subject within the UK Cost and management accountancy profession than the tants train almost exclusively and training of its in industry, while members of lents. Indeed it is the the Chartered Institute of ner in which each of the Public Finance and Account- main bodies provides for the tancy gain their experience and education of their a large extent in town halls re members which dis- and the public sector up and wishes one from the other. down the country.

Because its student body (1,600) is so small in relation to that of the English Institute of Chartered Accountants, for example, which has a student population of some 16,400.

Nevertheless it is within the English Institute that the most fundamental changes in accountancy education have been taking place in recent years. They date from 1972 when the Institute council published a booklet called "A Policy for Education and Training" containing a clear warning that entry and examination standards were going up.

hump of students which is behind the dismal pass rates.

The figures bear this out. In the Institute's December exam there were no less than 774 students attempting part 2 on at least a fourth attempt. Only 50—some 7 per cent—passed. It is now a fair bet that almost all of the rest will not become chartered accountants. But they will only be prevented from wasting their time after 1981 when the Institute introduces rules to limit the number of attempts at the exam.

Behind the English ICA's new policy is an implicit acceptance of a graduate-only profession, though for political reasons it seems unlikely for it to make this a rule. In the last 5 years the proportion of graduates entering training contracts has increased from 30 per cent to around two-thirds—and the graduates are getting through the exams reasonably fast. Mr. Michael Lickiss, chairman of the ICA education and training committee, estimates that 81 per cent of all graduates who entered training contracts in 1972 had become chartered accountants by the end of 1977, and that by 1980 between 85 and 80 per cent of the same batch will have got through.

In the part 2 exam last July 56 per cent of first-time graduates passed, though in the later December exam the pass rate for first-time graduates had dropped again to 33 per cent. Going back a stage to those students which have trained fully under the new policy, the results are also encouraging. In the November part 1 exam, 53 per cent of the students passed, and 14 per cent passed in some papers. But much depends on what is meant by a student.

While the English ICAEW has by far the largest membership of the six main accounting bodies, it is only in third place when it comes to students. A long way out in front comes the Association of Certified Accountants with a student population of 61,500. This is more than three students per certified accountant. In second place, with 38,000 students is the Institute of Cost and Management Accountants.

Both the Association and the ICMA derive a substantial proportion of their income from students. This is borne out in their accounts. Whereas members' fees and subscriptions are the main sources of income for the Institutes of Chartered Accountants, student and examination fees (amounting to £1.8m. in 1977) contribute two-thirds of the certified accountants' total income, as it did for ICMA.

Surplus

Since the Association has ended the past two years with a surplus more than double that of its members' subscriptions and fees (totalling £427,000 in 1977), it is difficult to see the justification of its argument that it is not making a very substantial profit (despite recent fee reduction) out of its students, a large proportion of whom may never pass all the exams. Another perspective on the matter could be gained from considering that the Association's surplus of income over expenditure for the past two years, amounting to £1.6m, is slightly more than the cost of its new headquarters at Lincoln's Inn Fields, which was purchased in July, 1977.

An interesting feature of both the Association of Certified Accountants and the Institute of Cost and Management Accountants student is the degree of representation from overseas. In the case of the Association, well over 50 per cent live outside the UK—mainly in the former British territories. It held examinations last year in some 225 centres around the world, perhaps justifying the claim that "membership of the Association is the premier international accountancy qualification." Of ICMA's 38,000 students, almost 15,000 are from overseas.

Because of the insistence on serving a training contract with practising accountants, students of the Institutes of Chartered Accountants are almost all of British Isles origin, as are those of the Chartered Institute of Public Finance and Accountancy where there is also a principal/student relationship. The graduate intake of CIPFA is at about 65 per cent, roughly the same as the English Institute of Chartered Accountants. In contrast some 33 per cent of ICMA's latest student intake are UK graduates, against only 8 per cent for the Association's new entrants.

Apart from the senior professional qualifications, there are now two organisations pro-

viding junior qualifications for accounting technicians. The older of these, run by the Association of Certified Accountants, is the Institute of Accounting Staff, set up in 1973. Over 1,100 now hold the Institute's diploma and there are more than 2,500 candidates studying on the one-year course.

In opposition to the certified scheme another qualification was launched last month jointly by the English Institute of Chartered Accountants, the ICMA and CIPFA. Called the Association of Technicians in Finance and Accounting, its entry requirements are alleged to be tougher than those of the Institute of Accounting Staff.

An important difference between the two is that the Certified run their own exams whereas the joint scheme bases its education requirement on the attainment of the Business Educational Council's National Level Award obtained by taking accredited courses and examinations in further education colleges. Entry requirements are a minimum of 4 GCE "O" levels at grade C or above, and applicants will be required to undertake studies on the three-year part-time



Mr. Michael Lickiss of Thornton Baker, chairman of the ICA education and training committee.

course while gaining approved practical experience with their employers.

M.L.

MEMBERSHIP CHARACTERISTICS OF BRITISH ACCOUNTING BODIES

	ICAEW	ICAS	ACA	ICMA	CIPFA
STUDENTS AND TRAINING					
Majority are graduates	yes	yes	—	—	yes
Training wholly or mainly in UK obligatory	yes	yes	—	—	—
Training in public practice obligatory	yes	yes	—	—	—
Normal age of qualifying over 25	—	—	yes	yes	yes
MEMBERS					
Average age over 40	—	yes	yes	yes	—
15% or more overseas based	—	yes	yes	yes	—
35% or more practice based	yes	yes	—	yes	yes
95% or more in private sector	yes	yes	—	—	—
50% or more in industry/commerce	—	yes	—	yes	—
50% or more in organisations with fewer than 250 employees	yes	yes	yes	—	—
CENTRAL ORGANISATION:					
Main source of revenue—Members subscriptions	yes	yes	—	—	—
Student and examination fees	—	—	yes	yes	—
Sales of services	—	—	—	—	yes
Receives ethical endorsements	yes	yes	yes	—	—
Active teaching as well as examining body	—	yes	—	—	—
Formal CPE policy for members	yes	yes	—	—	—

Sources: Michael Renshall's essay in "Current Issues in Accounting," by Bryan Carsberg and Tony Hope (Philip Allan, 1977)

Published by the Financial Times Ltd.

World Accounting Report

New standards, new practices, new controversies... changes and the pressures for a new approach are developing everywhere, all the time. Never before has the accountant and financial executive faced a future so full of new rules to be absorbed, new procedures to be mastered—and new opportunities.

Each month, World Accounting Report, published by the Financial Times Ltd., examines developments round the world and analyses their significance.

For example, the following items appeared in the July issue:

- Viewpoint—What is wrong with Associate Company Accounting.
- The exploding cost of professional indemnity.
- U.S.—Dispute over "full cost" and "successful efforts" methods of accounting for unproductive oil and gas wells.
- Netherlands—Major accounting firm at centre of Dutch company test case.
- The future will besiege you with questions: World Accounting Report will arm you with the answers.

Please send me a free sample copy of World Accounting Report.



Name _____
Position _____
Organisation _____
Address _____

Return to: Subscriptions Dept. (WAR), Financial Times Ltd., Bracken House, 10 Cannon Street, London EC4P 4BY.

FTW43

THE STORY TO DATE

Developing a major practice requires a total appreciation of the complexity and demands of the modern business life. And our clients, whether corporations or private individuals, expect to receive specialist advice which is not only accurate but constructive as well. That's why we've not been content just to point to past achievements—impressive as they are. Because past achievements don't solve tomorrow's problems.

And this philosophy is one of the reasons why our growth and development are reflected not only in our size but in the wide-ranging experience we can offer to qualified staff. If you're assessing what you've achieved to date, and you're looking ahead to your continuing professional development, you ought to meet us.

Write to Peter Marley in London for information on current vacancies.

TW
Tansley White & Co.
P.O. Box 71
22, By Place
London EC1P 1JE
01-242 1666

Branches: Birmingham Bristol Coleraine Doncaster Dublin Edinburgh Glasgow Gloucester Kilmarnock Leeds Liverpool London Luton Manchester Newcastle Nottingham Plymouth Southampton Swansea

Financial Training

London 138-142 Bramley Road, London W10 8SR. Tel: 01-860 4421.

Birmingham 2nd Floor, Tower Block, Centre City Hill Street, Birmingham B54 1JA. Tel: 021-632 5845.

Jersey 8 Tunnell Street, St. Helier, Jersey C.I. Tel: 0534 26481.

Manchester 64 Port Street, Manchester M1 2EG. Tel: 061-236 4124.

Leeds 10 Central Road, Leeds LS1 6DE. Tel: 0532 457455.

Sheffield Pegasus House, 153a Glossop Road, Sheffield S10 2QD. Tel: 0742 669265.

Dublin 8 Tunnell Street, St. Helier, Jersey C.I. Tel: 0534 26481.

The Society of Company & Commercial Accountants

Accountants in Industry & Commerce

The Society exists to further the interests of Accountants and Financial Officers in Industry and Commerce whose responsibilities are not limited only to one particular facet of accountancy.

Membership is by examination. For further information write to:

The Secretary.

The Society of Company & Commercial Accountants, 11 Portland Road, Edgbaston, Birmingham B16 9HW.



Charterhouse Management Courses Ltd.

CMC is the leading UK company in continuing professional education and financial training. Specialist courses are held throughout the country and cover key topics for accountants: inflation accounting, accounting standards, taxation and company law. Relevant CMC courses are accredited for CPE purposes so: Let CMC help with your future training.

Jean Slough, Course Registrar, CHARTERHOUSE MANAGEMENT COURSES LTD., 40 Charterhouse Square London EC1M 6EA. Tel: 01-406 0121



There's one section of the 'working classes' that has more right than most to feel underprivileged.

British management has suffered a relentless erosion of living standards. Commitments like mortgages and school fees have risen out of all proportion to incomes. And punitive taxation has put paid to any miserly wage policy.

No wonder a recent survey discovered that 72% of managers would now definitely consider a job abroad. The grass really is greener on the other side of the Channel or Atlantic.

But, before you trek off to Heathrow, there is one alternative you should seriously consider. It's called the Lansdowne Five Figure File.

This new senior appointments register has been purposely designed to help professionals (who are either in the five figure bracket or judging this income) improve their prospects and salaries. And it works.

With over 3000 UK companies as clients—including many of the country's top 1000 business organisations—the Lansdowne

What about a rise for the workers?

are uniquely situated. We get to hear of senior appointments long before they are publicly advertised. We can then pull strings, suggest names, influence decisions, and open doors that could remain firmly closed to most outsiders.

It's a service that's also free of effort, risk and expense. Instead of subjecting you to a pointless grilling, we send you a confidential application form. Think of it as an armchair interview.

In this form you can prescribe any company you do not wish us to contact. We won't pry into your reasons, but we will promise (on pain of being sued) to abide by your instructions.

You also have our written guarantee that you will never, ever, be charged for our services. So maybe our tired, poor, huddled management don't need to leave these shores after all.

Lansdowne Five Figure File, Design House, The Mall, London W5 5LS. Telephone 01-579 2282 (24 hour answering service).

Our clients would like to meet men and women aged between 28-45 with potential earnings in excess of £10,000 p.a.

Name _____

Address _____

FTF1/6/7

Lansdowne Five Figure File, Design House, The Mall, London W5 5LS. Telephone 01-579 2282 (24 hour answering service).

ACCOUNTANCY VIII

Auditors to get fresh yardsticks

A FEW weeks ago the accountancy bodies launched a programme of draft auditing standards and guidelines on what was almost certainly an unsuspecting audience. The proposals were issued in the form of a 40-page booklet at a Press conference most of those attending would prefer to forget for there were few questions. Admittedly, the whole subject of auditing is not one that arouses much controversy outside the profession, but there was something very odd about the proceedings nevertheless.

Here was the British accountancy profession, by its own reckoning one of the most respected in the world, proposing to lay down rules about the way its members went about work they have been doing for no small reward for around 100 years. So did this initiative mean that they had been doing it all wrong? Or that standards of practice varied so much that just about no-one knew what an audit really was, or where accounting stopped and auditing began? And why was it happening this May anyhow?

The only answer to these questions is that the accountancy bodies were responding to pressure and criticism, mainly from outside the profession. They were certainly not admitting that anything was wrong with the state of British auditing, in public at least. As the official statement said: "The auditing standards codify good current practice. For many firms, they will not cause a significant change, but will provide a yardstick against which performance can be measured."

The move was probably inevitable, given that it had long since been forced on the profession in the U.S. and had recently been copied in Australia. After all, every important accounting country likes to tell it is keeping up with the leaders.

But it took the 1974-75 property / secondary banking and collapse to focus public, or at least Press, attention on British auditors. Suddenly Department of Trade inspectors—one of them usually a leading chartered accountant—were criticising businesses because of the absence of internal controls.

Particular difficulty, they say, is attached to the increasing number of cash businesses where even small auditors admit that proprietors may well "be creaming off" some of the takings.

So the argument now goes: Why not let small companies opt out of the audit requirement, providing instead the option of a "review," in which a public accountant could report whether he thought the accounts were "plausible" in all the circumstances. One of the leading proponents of the review concept—which already exists in the U.S., Canada and Australia—is Mr. Jim Gemmell, a partner in chartered accountants Fryer Whitehill and Co.

Speaking at the English chartered accountants' annual conference earlier this month he warned with some effect that the Inland Revenue's new in-depth reviews of small business accounts will lead to the same shocks for thousands of smaller accounting firms as the Department of Trade reports have had at the quoted company end. The fear is that the new Revenue procedures may be turning up quite a lot of understated profit statements which have already had clean audit reports.

The beauty of the review, it is said, is that it gets the auditor off the hook in several areas. First, as an auditor he ought to be completely independent of his client—not even preparing the accounts he then reports on. Then there is the problem of compliance with the new audit standards, and the unrealistic costs this would impose on small businesses.

But the review concept is regarded with deep suspicion by some practising accountants, and has been strongly opposed by, for example, Mr. John Kirkpatrick, last year's president of the Institute of Chartered Accountants in Scotland. Behind this opposition is the belief that the very least the privilege of limited liability should demand is an audit. There is also said to be the possibility of confusion in the minds of the public as to the difference between an audit and

a review (though this may not be worth considering if it is accepted that very few people, even in the business community, know the difference between accounting and auditing) and, more to the point perhaps, a possible loss of work for many small accounting firms.

However, it appears that most accountants accept that the limited liability form of business entity is not really appropriate to a large portion (no one knows quite how large) of the 600,000 incorporated companies which exist in the U.K. One alternative suggestion is that smaller businesses should be encouraged to opt for the unlimited company type of incorporation. But since this has the same costs of incorporation and, more important the

same audit requirements as limited companies, there is little incentive to make the change.

Nevertheless, it seems worth recording that there was general support among the chartered accountants who listened to Mr. Gemmell at their annual conference for the review concept. The next stage will be to get agreement from the councils of the three auditing bodies—the English and Scottish Institutes of Chartered Accountants and the Association of Certified Accountants. Then there could be a submission to the Department of Trade.

But judging from past efforts it will probably be years before Britain has another Companies Act. Meanwhile the Auditing Practising Committee has to operate in the belief that the

same audit standards may be applied to all businesses regardless of size. The only concession to reality is a proposal in the draft auditing standards for standardised qualified audit reports where, for example, the auditor has been unable to substantiate cash transactions, or where the business lacks internal control.

At the other end of business life, what changes may be expected from the new audit standards? On the face of it very little, seems to be the answer. But to the cynic at least the profession will find it more difficult in future to let off those auditors who come under criticism on the grounds that it is difficult to determine members of the accounting bodies recognised under existing company law. On the other

hand, there would be no independence or ethical problems for the reviewing accountant. He could act as finance director, trustee, financial advisor or company secretary without inhibition and it may be strongly argued that in doing so he would be serving the real needs of the business community.

The standards and guidelines also provide a basis to be on. Issues such as the audit involvement with interim preliminary statements, his responsibility for the detection of errors and fraud, the probability of questionable payments overseas countries, and in mundane matters like how he may rely on the work of other auditors should give Auditing Practices Committee enough work for several years to come.

"The Proprietary Comp —What Next?" is the title of a leaflet which may be obtained from Mr. J. H. F. Gemmell, Technical Director of Fryer White Associates, Buchanan House 24-30, Holborn, London EC1A 2JX.

Impact

The impact on the profession of a change in the law allowing small companies to opt out of the audit probably includes the following. It might not be easy to insist that review work should be limited to the members of the accounting bodies recognised under existing company law. On the other

are the independence rules laid down for an auditor: —What Next? is the title of a leaflet which may be obtained from Mr. J. H. F. Gemmell, Technical Director of Fryer White Associates, Buchanan House 24-30, Holborn, London EC1A 2JX.

He will be prohibited from auditing a company where independence does not appear to be sufficiently guaranteed relation to the members of the body which represents, administers, directs or supervises company or its majority shareholders or members.

Conditions

The draft eight directive lays down minimum qualifications for those auditing the companies covered by the fourth directive. The educational and professional training conditions require the attainment of university entrance level, followed by a course of advanced training and an examination of professional competence at graduate or equivalent level of training. The list of subjects to be included in the professional examination is extensive and according to Price Waterhouse, will probably require changes in the syllabus in practice all member States, most significant for Britain probably

EEC

CONTINUED FROM PAGE VI

Disaggregation Companies annual report shall at least include a fair review of the development of the company's business and of its position. Specifically it is required to give an indication of: any important events since the end of the accounting period; the company's likely future development; activities in the field of research and development.

Smaller Companies The fourth directive provides the UK Government with an opportunity to lighten the burden of small and medium-sized companies if this is desired. Small companies need not have an audit or publish a profit and loss account. Even the balance sheet can be considerably abbreviated. Medium-sized companies need not publish turnover figures and may have slightly abbreviated balance sheets.

Goodwill. Member States are permitted to authorise companies to write off goodwill over a limited period exceeding five years provided that this does not exceed the "useful economic life of the asset."

Tax Accounting Another provision requires disclosure in the notes of "the extent to which the calculation of the profit or loss for the accounting period has been affected" by valuation rules different from those specified in the directive "with a view to obtaining tax relief."

Annual Report Contents The directive stipulates that the

annual report shall at least include a fair review of the development of the company's business and of its position. Specifically it is required to give an indication of: any important events since the end of the accounting period; the company's likely future development; activities in the field of research and development.

Smaller Companies The fourth directive provides the UK Government with an opportunity to lighten the burden of small and medium-sized companies if this is desired. Small companies need not have an audit or publish a profit and loss account. Even the balance sheet can be considerably abbreviated. Medium-sized companies need not publish turnover figures and may have slightly abbreviated balance sheets.

Goodwill. Member States are permitted to authorise companies to write off goodwill over a limited period exceeding five years provided that this does not exceed the "useful economic life of the asset."

annual report shall at least include a fair review of the development of the company's business and of its position. Specifically it is required to give an indication of: any important events since the end of the accounting period; the company's likely future development; activities in the field of research and development.

Smaller Companies The fourth directive provides the UK Government with an opportunity to lighten the burden of small and medium-sized companies if this is desired. Small companies need not have an audit or publish a profit and loss account. Even the balance sheet can be considerably abbreviated. Medium-sized companies need not publish turnover figures and may have slightly abbreviated balance sheets.

Should I wait

for a

Pool's

Win?

or work very hard

for the rest of

my life?

..or go into politics?

RIGHT

That doesn't feel

right somehow..

LEFT

I'll just carry on

with what

I'm not doing

at present..

Decisions

Decisions, decisions—and the hardest decisions any of us have to make are those connected with our careers. Thomson McLintock & Co is one of Britain's major accountancy firms and what we have to say about ourselves could help you decide your next career move.

Each of our 20 offices operates separately and has its own distinctive style and characteristics, though each conforms to general policies laid down for the firm as a whole. Within this structure we are committed to creating an informal, personalised working environment where individuals can shine and rise rapidly within their own abilities.

We cannot stress sufficiently the importance of the individual. We are one of the few firms to employ full-time training staff who provide personal tuition and assistance at every stage of your professional development which begins when you join us and ends only when you leave.

Opportunities for specialisation can arrive early—within two years of qualifying—and promotion is awarded strictly on merit to those demonstrating ability and management potential. We set high standards for our staff but if you feel equal to our demands and are recently qualified, please contact the staff partner at one of the following addresses for more details of a career with us.

T.M.L.

Thomson McLintock & Co

London R D W Mead 70 Finsbury Pavement London EC2A 1EJ Tel: 01-406 2777 Aberdeen A G McIlroy 11 Golden Square Aberdeen AB9 1LE Tel: 29107 Belfast D A Bruckhoff 50 Church Lane Belfast BT1 4DN Tel: 21455 Birmingham S G Auld 5 St Philip's Place Birmingham B3 2PU Tel: 236 7791 Bristol C Smith 8 Gower St Bristol G1 3PL Tel: 222111 Cardiff R T Lewis Royal Exchange Building Cardiff CF1 1JL Tel: 222111 Edinburgh D A McIlroy 33/34 Charlotte Square Edinburgh EH2 4HF Tel: 225 1516 Glasgow G N Simpson 216 West George Street Glasgow G2 2PP Tel: 248 5181 Inverness A Thomson 11 Broughton House Harbour Road Inverness IV1 1UA Tel: Inverness 29103 Leeds N A Wainwright Exchange House City Square Leeds LS1 5NH Tel: 420257 Leicester R J Lane Arden House 55 Colindale Avenue Leicester LE1 7JZ Tel: 51621 Manchester Liverpool & Sheffield B O Dwyer 12 Booth Street Manchester M4 4JW Tel: Manchester 236 8241 Newcastle J L Hurdley 7 New Bridge Street Newcastle-upon-Tyne NE1 8BB Tel: 26042 Norwich P F Jeffery 3 Prince Street Norwich NR3 1AS Tel: 20216



Appraisal and counselling with a staff partner.

PW CAREER DEVELOPMENT: Make the most of yourself....

Career development at PW is a two-way process. We provide the opportunities. It's up to you how far you go.

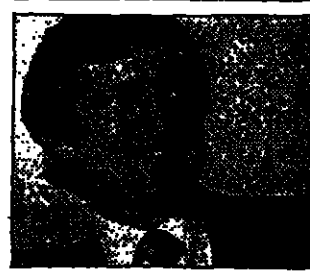
All the back-up you need will be available: the right practical experience; the first-class professional training; the personal supervision and guidance that are so vital. And if you want to develop into other areas (from audit to tax, for example) you'll have the chance.

This is part of the commitment we will make to you. On your part, you have to make a commitment that is equally demanding. As a first step write or telephone for a personal history form. Then if you match up to the opportunities that we offer we will invite you to come and see us.

Please write to Dick Shervington, Price Waterhouse & Co., Southwark Towers, London Bridge Street, London SE1 9SY. Telephone: 01-407 8989 or contact the nearest regional office listed below.



Walter Clark, Partner
"I joined in 1965 from a smaller firm and am now partner. I believe the firm offers excellent opportunities for career development—but it's up to the individual to take them. For example, I spent a year in our Technical Department, where I learnt a tremendous amount which has stood me in very good stead."



Glenn Baxter, Senior Manager
"The opportunities now are enormous—even more so than ten years ago. I joined in 1961 in Newcastle, moved to London, and am now in the Technical Department doing audit research. The principal thing in achieving success is the degree of responsibility given to a person. I've certainly been given enough throughout my career and I think people are given more responsibility now than ever before."

Price Waterhouse
United Kingdom

Birmingham—Barry Dale, 021-236 5011. Bristol—Tim Thom, 0272-293701. Cardiff—Hugh Thomas, 0222-21723. Edinburgh—Ian Adam, 031-225 4242. Glasgow—Gordon Anderson, 041-332 4162. Leeds—Keith Rawcliffe, 0532-443741. Leicester—David Browning, 0533-51981. Liverpool—John Leese, 051-236 7862. Manchester—Roger Evans, 061-226 6541. Newcastle—Derek Booth, 0632-28493. Nottingham—Norman Deakin, 0603-49321. Southampton—Michael Gordon, 0703-36444.

ECONOMIC VIEWPOINT

The case for an Indexed Pay Norm

OUR MINISTERS are very aware of the high price pay for TUC assent to a policy norm. This was very clearly in exchanges question time last Thursday. The following quotations are Hansard.

Budget: Does the Chief Secretary agree with the view given by the Treasury to the Wilson Committee, to the effect that the Government has decided to control the cost of new jobs, which provides new jobs and new jobs?

Barnett: The hon. member is quite right. It is not something in, but it must be considered in the wider context of counter-inflation policy.

Fernyhough: Will my hon. friend bear in mind that capitalism and capital are not uncontrolled rewards? There is little possibility of our, through the trade union, agreeing to wages being controlled? Mr. Fernyhough is of course right.

Here is another slightly more relevant quotation involving Chancellor himself:

Lawson: Is the Chancellor aware that as a result of his action and incomes policies, a time of record post-war employment one manufacturer in five is now reporting a shortage of skilled labour? Is that not a consequence of incomes policy? It may well be the case that under free collective bargaining differentials between production workers and unskilled workers, particularly in

Much quoted

Let us now switch to a much quoted section from the Conservative Right Approach to the Economy:

"Yet in framing its monetary and other policies the government must come to some conclusions about the likely scope for pay increases if excess public expenditure or large-scale unemployment is to be avoided; and this estimate cannot be concealed from the representatives of employers and unions whom it is consulting."

Obvious common sense? Certainly Ministers have quoted from it. But it just happens to be incorrect. Most governments in most countries throughout recorded history have managed to avoid such "conclusions," and because they did not have them were not faced with the problem of whether to conceal them (or merely distort them slightly) from union and employers' bodies.

If the Government ever came out with a clear-cut statement of

its monetary, fiscal and exchange rate strategy, independent bodies and the economic advisers of unions and employers would be quite capable of estimating for themselves the resulting "scope for pay increases." Moreover the conclusions would be taken more seriously if those concerned came to them on their own account and did not have them foisted upon them by the Treasury, NEDO or other semi-official bodies.

Apart from all the other objections, a pay norm invariably becomes in British conditions the going minimum rate for all settlements. On top of this are added further percentage points for open and more points for upward drift at the workplace, for regrading, and for people moving to higher paid jobs. The per cent norm of Phase Three has already become 12½ to 15 per cent, depending on the earnings index used.

The reduction of inflation to 8 per cent is due mainly to the 1977-78 appreciation of sterling and the fall in real commodity prices (a pure monetarist would not admit the latter). The Phase Three pay norm of "10 per cent" has actually worsened the further out for inflation compared with what it would have been if the authorities had relied last year only on monetary and fiscal policy and a free float for sterling.

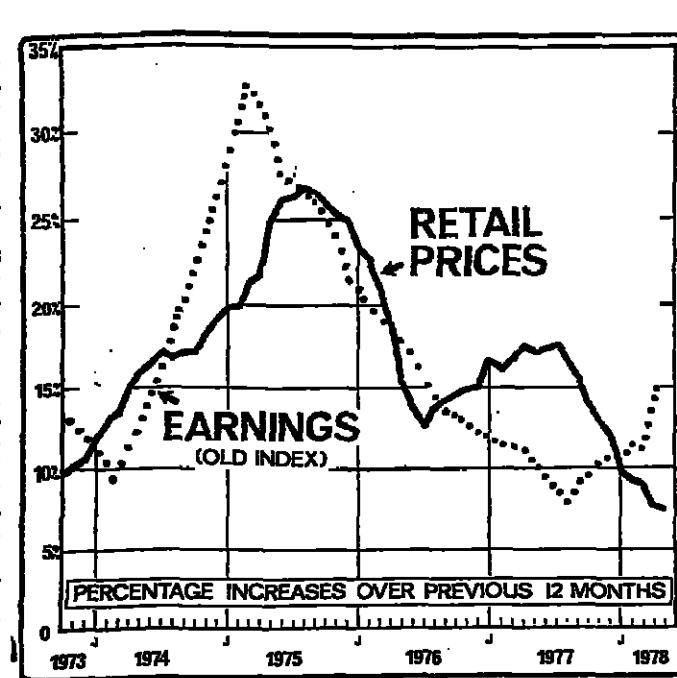
Not merely do we have the Phase Three slipper, but in the next round we will also have the cost of the deferred pay increases promised to firemen, policemen, doctors, armed Forces and other groups by buy off troubles last time round.

Yet if for reasons of the political power game, or the self-esteem of the Establishment, we are condemned to yet another pay norm, there is a way of going about it far better than the options now being discussed between the Government and TUC.

The alternative approach is to have a pay norm tied to the rate of inflation. This can be called a cost-of-living clause, indexation, or what you will. The ideal time for this would have been last year when people were excessively pessimistic about the inflation outlook, and when a cost of living guarantee would have cost very little and enabled a very substantial decline in money settlements to be negotiated.

I indeed recommended cost-of-living based settlements on this page on July 28, 1977 (Pay Policy, A Letter to Employers). A Letter to Employers where the suggestion was made that employers might experiment themselves without an official norm. But of course, the official determination to pursue the 10 per cent pay norm by fair means or foul cut the ground away from any such decentralised initiative.

Writing a year ago, I suggested two possible wage indexation schemes. The first was to have "a very low conventional money award," but on top of this to increase wages point for point with every increase in the retail price index. The second scheme, devised by Mr. Richard Layard of the LSE, was a conventional increase with a threshold provision. Wage earners would be compensated for cost-of-living increases once the retail price index passed 8 per cent above its level on the settlement date. If this suggestion had been



adopted no threshold compensation would have had to be paid at all; and any reduction, however small, in nominal wage settlements as a result would have been pure gain—that is, from the point of view of inflation and employment prospects. But with characteristic British flair, the authorities adopted thresholds in the worst possible year during the Heath pay policy of 1973-74, when oil and commodity prices exploded. They were so appalled by their experience then that they would have no truck with thresholds in 1977, when the circumstances were as favourable as they had previously been unfavourable. Lost historical opportunities can never be recaptured. But it is still not too late to do something. With inflation far more likely to rise than to fall, a threshold as such is no longer particularly attractive. If we move to cost of living compensation as such, the problem is whether to look backwards or forwards. If one looks entirely backwards, it becomes difficult to have any de-escalation at all and the existing rate of inflation gets built into the system. Moreover union leaders would be understandably afraid of being uncovered if next year's inflation rate should exceed this year's. On the other hand a purely forward looking formula would do nothing to compensate for the erosion of last year's settlements even by 8 per cent inflation. The compromise I would suggest is based on the fact that a

wage settlement has its maximum real value the day forward looking cost-of-living when it comes into effect and its minimum real value the day before the next settlement—say 12 months later. The average real value of the settlement occurs about halfway through the year in which it runs.

Therefore, I would suggest dividing the norm in two parts. The first would compensate for half the increase in the cost of living since the last settlement. The second part would be a point-for-point compensation for each 1 per cent future increase in the retail price index as soon as it occurs during the period of the new settlement.

Assuming that the year-on-year inflation rate remains at 8 per cent this autumn, the first part would amount to a 4 per cent award. There would then be small but mounting increments in the course of the year in line with the rise in prices. This second part of the settlement would be equivalent in percentage terms to slightly more than half the inflation rate over the year in which it is in force.

Favourable case

If prices rise by 8 per cent in 1978-79 the settlement would amount to 4 per cent initially plus just over 4 per cent, equivalent to 8 per cent in all. If the inflation rate were 12 per cent the settlement would be worth 4 plus just over 6 per cent or 10 per cent in total. Thus in the favourable case it would not be too different from what the Government is now aiming at, but may not achieve. More over success in keeping down the inflation rate would be self-enforcing.

Samuel Brittan

Letters to the Editor

Finance Bill side effects

Money Messrs. M. Homan, J. Mackay, P. Sherrill, R. Turton and J. Watt.

Sir—Clause 10 of the Finance Bill, which is approaching the port stage, is designed to give relief for VAT purposes in respect of bad debts. While the granting of relief is generally welcome, the conditions laid down by the clause give cause for serious concern as to the likely side effects.

If the clause is enacted in its present form, it will be a condition of relief that the debtor company is in liquidation. It flows from this that creditors will have a financial incentive to pursue their debtors in liquidation. We believe that this will damage the prospects of rescuing companies in temporary financial difficulty by means of one of a number of forms of moratorium preserving their businesses as going concerns in a receivership. Creditors would be most unlikely to agree to any form of moratorium that cannot offer an early payment in excess of the VAT refund. In receivership, the effect of a winding-up order on the receiver's ability to continue the trade can be prejudicial and, particularly in labour-intensive companies, will often force the receiver to cease trading. Given the financial incentive of a fund we do not expect creditors to join the receiver in opposing a winding-up petition.

For the corporate debitor, the clause will be destructive of set values productive capability and employment. In the case of private individual debtors the effect is equally regrettable. The debtor will be required to trade personally bankrupt before relief is granted and the alternative of a deed of arrangement with creditors will not qualify.

We see no valid reason why the clause cannot be widened to give relief where a receiver is appointed to the debtor company or where the debtor enters into a composition or arrangement with creditors. This wider form should not be difficult to regulate, compared say with the existing need to monitor the inclusion of credit notes in VAT returns. Furthermore the additional cost to the revenue should not be material since under the present proposals, if there are substantial sums of relief at stake, creditors would in any event take the necessary steps for liquidation or bankruptcy to ensure their recovery and it is also necessary to take into account the redundancy and other costs that will result.

The matter has been referred to the Insolvency Law Review Committee under the chairmanship of Mr. Kenneth Cork and this letter has his personal support. It will, however, be a considerable time before the committee's recommendations can become effective.

We earnestly hope that this matter will be put right before the Bill is enacted and that it will not be necessary to await a major company being closed down with extensive redundancies before the position is rectified.

Mark Homan, Price Waterhouse and Co.; Bill Mackay, Whimney Murray and Co.; Paul Sherrill, Coopers and Lybrand; Richard Turton, Spicer and Pegler; Ian Watt, Thomson McIntosh and Co., c/o Southpark Towers, 3/2 London Bridge Street, SE1 9SY

A possible injustice

Sir—My compliments on the supplement on Northern Ireland (July 4) and the article on workers' co-ops by Robert O'Brien in the same issue. Mr. O'Brien speculates that tax concessions may be made to workers' co-ops and that the Chancellor may seek to limit them to co-ops as defined under the Industrial Common Ownership Act.

Despite the fact that Northern Ireland is the area of the UK in greatest economic distress, which our supplement confirms, Ulster was excluded from the ICO Act and its benefits.

If tax reliefs were to be restricted to workers' co-ops as defined by this Act then such companies in the six counties may be excluded from this assistance, thus suffering a double injustice.

Terence O'Brien, Department of Economics, The New University of Ulster, Coleraine, Co. Londonderry, Northern Ireland.

No annual pay rises

Sir—I dislike asking questions when writing to the Press because answers are not expected. But everyone must want an answer to this one—is it necessary to have an annual pay increase?

Certainly it has never been the main issue that fills the headlines as it does today. The practice is getting wildly out of hand, at all levels, and surely it is high time someone asked the Prime Minister to give it a

avoided these days with a little more certainty than in the past. Having been with my present employer (and married) for 12 years, I take it I may expect a good credit rating: (Mrs.) K. Clifton, 66 Osmond Gardens, Wallington, Surrey.

Marketing tractors

From the Economic Adviser, Burgin and Co.

Sir—The weakness of tractor and farm machinery production in the U.K. (July 4) is of great interest to those of us who participate in encouraging the dramatic rise in exports by these industries in the 1960s.

At the root of today's problems in the industry, in my opinion, is the misguided and relentless pursuit of tractor design policies which assume that "bigger" means "better." Farmers are showing a financial fatigue as they are called upon to pay more for these machines, even allowing for inflation. As tractors, as the power unit in agriculture tend also to determine many other farm machinery designs following the "big is beautiful" assumption.

I am familiar with the arguments that more power aids timeliness of operations and labour productivity, especially at peak working periods, but these points refer to quite short periods in the 12 month farming calendar and, for the rest of the year, farms are lumbered with tractors which are much larger than needed for routine transport and haulage operations.

The bigger size and increased noise and exhaust pollution of the current generation of tractors has brought legislation for complete cab enclosure and insulated driving cabs and relayed implement controls. The driver's cab and control now add about 30 per cent to the cost of basic tractors or, say, 20 per cent more than is justified for essential safety frame and simple weather protection needs.

As a direct consequence of these moves, only the larger farms at home and overseas can justify regular purchases of new tractors and machinery nowadays. More of the smaller farms have come to use second-hand purchases, at longer intervals, for their needs. This trend should be posing questions for the policymakers in the industry.

It is particularly interesting that the small grey Ferguson tractors, the last of which were produced more than 20 years ago, with clever weight transfer and matched implement merits, are still regularly seen on smaller farms in the UK, Europe, Africa and Australia.

Marketing experts today will probably say that tractor and machinery production for the smaller farms is no longer profitable using current methods of manufacture and distribution. Nevertheless, some new thinking on design and production may be called for as it is clear that current production ranges are not so profitable either.

A. G. Horsnail, Burgin and Co., 35, Worship Street, EC2.

The real losers

From the Chairman, Central Government Committee, Union of Independent Companies

Sir—On June 28 you carried two reports which at first sight appeared to conflict. The Policy Studies Institute reported manufacturing firms employing be-

GENERAL Two-day European Council summit opens in Bremen.

European Parliament in session, Luxembourg.

Labour Party issue document on "Local Government Reform in England," which will be presented to its annual conference later this year.

CBI conference at Cafe Royal, W.I. to inform British industrialists on how three major multi-national lending agencies function. Mr. John Tomlinson, Under-Secretary, Overseas Development, will attend, and speakers include those from the Asian Development Bank, World Bank, and European Development Fund.

Prince of Wales visits Royal Agricultural Society Show, Stoneleigh, Warwickshire.

National Union of Mineworkers' conference continues, Torquay.

Scottish Milk Marketing Board annual meeting, Excelsior Hotel, Glasgow Airport.

PARLIAMENTARY BUSINESS House of Commons: Consideration of Lords amendments to Scotland Bill.

House of Lords: Wales Bill, report stage.

Select Committees: Expenditure (Trade and Industry sub-committee). Subject: Measures to prevent collisions of noxious cargo carriers (10.30 am. Room 16). Race Relations and Immi-

Today's Events

gration. Subject: Effect of EEC membership on race relations and immigration. Witnesses: UN High Commissioner for Refugees (4 pm. Room 6). Science and Technology (General Purposes sub-committee). Subject: Government observations on third and fourth reports of Select Committee, session 1976-77. Witnesses: Mr. Anthony Wedgwood (4.30 pm. Room 15).

COMPANY MEETINGS Altifund, 2, St. Mary Axe, EC. 12. Alpine Holdings, Alpine House, Honey Street Lane, NW. 12. Barr and Wallace Arnold Trust, Leeds. 12. Bremner, Glasgow. 10.30. British American Film, 113, Park Lane, W. 11. Doran and Rubber, 14, Great Tower Street, EC. 12. Fidelity Radio, Churchhill Hotel, W. 12. Fine Art Developments, Burton upon Trent. 4. Gordon Luis, Cavon Hall, SW. 12. Guardian Investment Trust, 11, Walbrook EC. 12. Pyramid, London Hilton, W. 10. UBM, Bristol, 12.

COMPANY RESULTS Final dividends: Braithwaite and Co. Engineers, Daily Mail EC. 12. General Trust; General Elec-

tric; Greene King and Sons; Scottish and Newcastle Breweries; Wellman Engineering Corporation. Interim dividends: Birmingham Pallet Group; Braud Group; Gough Cooper; Thermal Syndicate.



BANCA TOSCANA

JOINT STOCK COMPANY
Company's Capital, Reserves and Risks Funds Lit.126.984.878.200

Balance 1977

The Ordinary Annual Meeting of Shareholders of Banca Toscana was held on May 2, 1978 at the Bank's premises at the Palazzo Portinari Salvati, in Florence.

The President Prof. Dott. Enzo Balocchi emphasized among other the remarkable development of the Bank's activities also in the past financial year.

Dott. Giovanni Cresti, Managing Director, read the Report of the Board of Directors and commented the major points, namely:

- Deposits have reached the aggregate amount of Lire 2.725 billions (of which Lire 2.556 billions represent customers' deposits) with a progression of 26.1% over 1976;
- advances to customers total Lire 931 billions (13.2% over 1976);
- the profit and loss account closed with a net profit of Lire 3,677,596,393;
- a 15% dividend has been distributed (9% from 1959 to 1971 - 10% in 1972 - 15% in 1973 - 20% in 1974 - 25% in 1975 - 15% in 1976);
- after allocations to reserves and various funds, the total of own resources amounts to Lire 126,984,878,200 (the figure for 1976 was Lire 95,251,444,004);
- the volume of international trade transactions handled by the bank has further expanded and represents about 24% of the whole international trade of the Region;
- prospects for the year 1978 look good and are encouraged by the authorisation obtained from the Banca d'Italia to open a branch in Rome and to reinforce the network in the Region (Castelfranco di Sotto, Segromigno in Monte, etc.).

Balance Sheet as at December 31, 1977

ASSETS		LIABILITIES	
Cash	18,552,163,655	Capital	12,000,000,000
Funds at the Central Bank	389,929,795,052	Ordinary & extraordinary reserves	48,420,891,388
Securities owned		Loans loss and other risks funds	54,026,523,249
(government and government guaranteed bonds)	1,049,746,315,318	Securities fluctuation fund	9,438,647,960
Participations	3,638,628,288	Bank premises and equipment	
Loans to customers	931,788,339,358	renovation and reconstruction fund	1,500,000,000
Banks & Correspondents	258,943,168,547		125,386,062,597
Bills for collection	275,319,741,602	Customers savings and current accounts	2,556,121,390,729
Sundry & transitory accounts	97,887,866,182	Banks and correspondents current accounts	192,541,323,189
Furniture & Equipment	12,212,353,555	Circular cheques	43,368,402,050
Bank premises and other properties	30,287,955,641	Bills for collection	47,281,513,116
Interest earned not collected	37,126,198,334	Sundry and transitory accounts	43,486,692,223
		Staff indemnity provision fund	34,759,876,710
		Depreciation funds:	
		furniture and equipment	8,424,396,421
		bank premises and other properties	6,294,345,135
		Tax provisions fund	12,624,401,488
		Unclaimed dividends	12,775,015
		Adjustment for accrued interest and interest earned not paid	40,865,766,457
		NET PROFIT	3,677,596,393
			3,115,434,541,533

COMPANY NEWS + COMMENT

Sainsbury on budget for profit rise

SALES OF J. Sainsbury were ahead of budget in the current year, the group was achieving a considerable growth in volume and it was well on budget for a satisfactory growth in net profit, Mr. John Sainsbury, the chairman, said at yesterday's AGM.

The group's market share had improved from 7.5 per cent to 8.5 per cent, based on Department of Industry statistics, he said.

The launch of Discount 78 had been more successful than directors had hoped for and he pointed out that it was a major long-term development gearing the company to trade at higher volume on lower gross margins to make the company more competitive without losing a satisfactory level of profit.

As already reported Sainsbury plans to open eight supermarkets and a second hypermarket in the year, and Mr. Sainsbury said that in 1979-80 a further 14 supermarkets would be opened, increasing its sales space by 220,000 sq. ft.

Last year produced the most competitive trading conditions the group had known and this was not expected to ease in the current year.

Frederick Parker up at midway

FOR THE half-year to March 31, 1978, taxable profit of Frederick Parker advanced 8.4 per cent from £2.9m to £3.14m on turnover well ahead from £14.61m to £20.24m.

Directors say results benefited from the shipping of the bulk of the equipment for its contract with the Philippines Department of Public Highways.

HIGHLIGHTS

Swan Hunter has become the first major company to agree compensation terms for the nationalisation of its shipbuilding activities. The National Association of Pension Funds has come out strongly against the proposed deal between Barclays Bank and the Investment Trust Corporation. Lex also explains how clause 10 of the present Finance Bill is likely to push companies in trouble into liquidation much faster than at present. Also covered in the column is the implication of the report of the Royal Commission on Gambling with particular emphasis on the casino operators. Elsewhere, Erickhouse Dudley has once again been bolstered by a strong trend in exports with the UK activities being held back by the cut-back in local authority spending, and the pattern is being maintained in the current year. John Waddington has turned in a substantial second-half slowdown against a mid-term forecast of some improvement, due to destocking by the retailers and poor trading on the packaging side. However, a better-than-expected second half has been achieved by Braham Millar, but the important Middle East markets appear to be running out of steam.

They say business continues to be hard won and that as the effects of the world recession are expected to continue to be felt, full-year profits are unlikely to exceed the £5.21m of last year.

They say the Hireplant subsidiaries are showing results a little ahead of the same period last year. Two new depots are planned for the future.

After tax of £1.55m (£0.86m) net profit came out at £1.59m (£0.94m).

The interim dividend is unchanged at 2.475p net per 10p share, and will cost £37,554 before tax. The final dividend will be considered when the full year's results are known. Last year a 5.7p final was paid.

The company's shares are traded on the over-the-counter market.

Good start for Crosby Spring

A GOOD start to the current year has been made by Crosby Spring Industries, says Mr. I. H. Campbell, chairman, in his annual statement, and provided no serious downturn in trade occurs and major strikes in the motor industry are avoided, the year should be more profitable than 1977-78.

As already known pre-tax profits for the March 31, 1978, year rose from £589,452 to £712,000 and the dividend is increased from 0.852p to 0.853p. Also proposed is a scrip issue of one £1 preference

share for every 20 ordinary shares.

The accounts also show a directors' compensation for loss of office of £1,200. Liquid funds at March 31 decreased by £71,571 (£204,448).

Crosby Springs, the group's largest subsidiary, involved in car seating and furniture springing, had a disappointing year, and its contribution remained at the modest level of 1977-78. Production built up in the second half, after unrest in the motor industry had affected the opening period, and has been sustained in the current year. The chairman says that provided these conditions continue, the problems of 1977-78 are likely to be those related to working to the limit of capacity.

The balance sheet shows that funds employed have risen from £2,465,869 to £3,035,473. This increase includes the difference between the replacement value of assets destroyed at Doric Unit Company (Springs) and their book values of £100,000. It is also swollen by tax relief arising from capital allowances on the considerable purchases of plant, and by stock relief.

During the year capital expenditure of £592,771 was undertaken but of this £225,172 represents the £60 replacement at Doric Unit Company (Springs), leaving £367,600 of planned expenditure. Some £197,753 of this was covered by depreciation provisions made in arriving at profits and £170,136 by regional development grants.

The group's policy is to keep plant and equipment modern and well maintained.

Auditors say that the margin arising on the sale of plant between two subsidiaries has been included in the accounts and that the effect of this is that a group of some £200,000, arising from inter-company trading, and therefore unrealised, is included in both the group profit before tax and the book value of the group's plant and machinery.

Meeting, St. Helens, Xmas, July 28 at 11.30 am.



Mr. John Sainsbury, chairman of J. Sainsbury—a further 14 supermarket openings planned for 1979-80.

DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corresponding div.	Total for year
Braham Millar	0.99	—	0.90*	1.59
Brickhouse Dug	1.56	—	1.39	2.33
English Card	1.85	Aug. 31	1.62	2.98
Frank G. Gates	1.55	Aug. 22	1.41	1.55
Habit Eng.	0.55	Aug. 14	0.49	1.5
Frederick Parker	2.48	Aug. 3	2.48	—
Routledge, Kegan	2.8	Oct. 4	2.67	4.05
Scott and Continental Int.	1.2	Aug. 4	—	1.2
Scottish East. Inv.	2p	Aug. 4	1.25	4.95
Technology Inv.	2.6	Aug. 31	2.25	2.35
John Waddington	6.31**	Aug. 12	4.45	11.31*

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Assuming 33 per cent tax rate. § To reduce disparity. ¶ Not less than 2.5p final forecast (2.3p).

C. E. Heath makes good start on broking side

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

THE FIRST three months of dispute between C. E. Heath and brokerage growth at C. E. Heath and Lloyd's over container insurance have been on target, and Mr. Heath, chairman, said at the annual meeting yesterday.

While there was a long way to go to the year end, he was nevertheless optimistic that the group would have another good year.

On the Lloyd's underwriting side, Mr. Holland was quietly confident of a return to profitability next year and other underwriting operations both here and overseas were on or exceeding their budget targets.

If there was a total lifting of dividend controls it would be the intention of the Board to recommend a substantially increased dividend during the next financial year. Previous total was 4.851p.

Later it was said that the 2.5p (2.25p) per share.

ISSUE NEWS

East Anglia success

The offer for sale by tender of £2m 7 per cent Redeemable Preference Stock 1983 by East Anglia Water Company has attracted applications amounting to £4.34m.

While the minimum price of the issue was £97.50 per £100 of stock, the average price obtained was £98.16 with the lowest price to receive a partial allotment being £98.05.

Dealings will start today. Brokers to the issue were Seymour, Pierce and Co.

LEYLAND PAINT

Leyland Paint and Wallpaper announces that application for conversion of £1.08m 8 per cent Convertible Unsecured Loan Stock 1981 has been received in respect of £12,952 of stock. The last conversion period for this stock ended on June 30.

A total of 1.19m Ordinary shares of 25p each will therefore be issued in conversion and an application will be made to the Stock Exchange for a quotation.

I. & J. HYMAN

I. and J. Hyman, plastic foam converters, announces that of the 1,976,010 new Ordinary shares

Profits ahead 12% at Braham Millar

FROM TURNOVER up from £8,440 to £9,020, profits before tax of the Braham Millar Group, Enfield-based mechanical engineering firm, have risen 12 per cent in the year ended March 31, 1978.

First half profits were up 100.137 to £510,000 on increased turnover but the directors said at that stage that although turnover in the second half was expected to be higher, profits could not be forecast to exceed those for the first six months.

Earnings per 10p share at the year-end are shown at 7.9p (7.40p) and net assets per share, 56p (50p).

A final dividend of 0.9972p effectively raises the total from 1.4285p to 1.5072p and if the tax rate is reduced the final rate is expected to rise to 1.6125p. A one-for-ten scrip issue is also proposed.

Profit is struck after depreciation of £121,354 (£67,168) and before tax, £188,176 (£125,830).

The outlook so far is favourable, say the directors, with a demand satisfactory and the volume of home sales approaching that of exports. The year ahead will not be without its problems, but progress is expected.

International Distillers ahead so far

After interest of £1.33m in pre-tax profit, International Distillers, the Metropolitan subsidiary, from £7.63m to £7.94m March 31, 1978 half-year.

The result includes a contribution of £1.33m (£1.00m) and is before £1.19m (£1.32m) and a net interest of £296,000 (£81,000). Turnover for the year rose from £177.54m to £184.4m.

Net asset value per share prior to changes is shown at £45.7p.

Winterbottom Trust ahead to £218,627

For the May 31, 1978 half-year, taxable revenue of Winterbottom Trust rose from £155.3 to £218,627 after management fees of £28,432 compared with £28,432 and interest of £38,892.

Tax takes £17,830 (£17,35) available profit is £1,001,543 (£1,001,543). Earnings per share are shown at 2.31p and the interim dividend from 1.8p to 2p net. Last 5p final was paid on a £0.42m pre-tax profit.

Indications of growth at Ash Spinning

Exports by Ash Spinning Company since the end of last year have been satisfactory and in figures were well ahead of last year's.

At present the company is in the middle of the holiday period and no trading would be in the September.

A forward order book was held, the offtake was the key to sell the said.

He noted that the comp deferred tax provision now at £24,000 arising from relief. If legislation next established a six-year limit on extent to which this relief regarded as a potential liability and the company continues present level of stocks, the vision would be released year year becoming a free reserve.

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

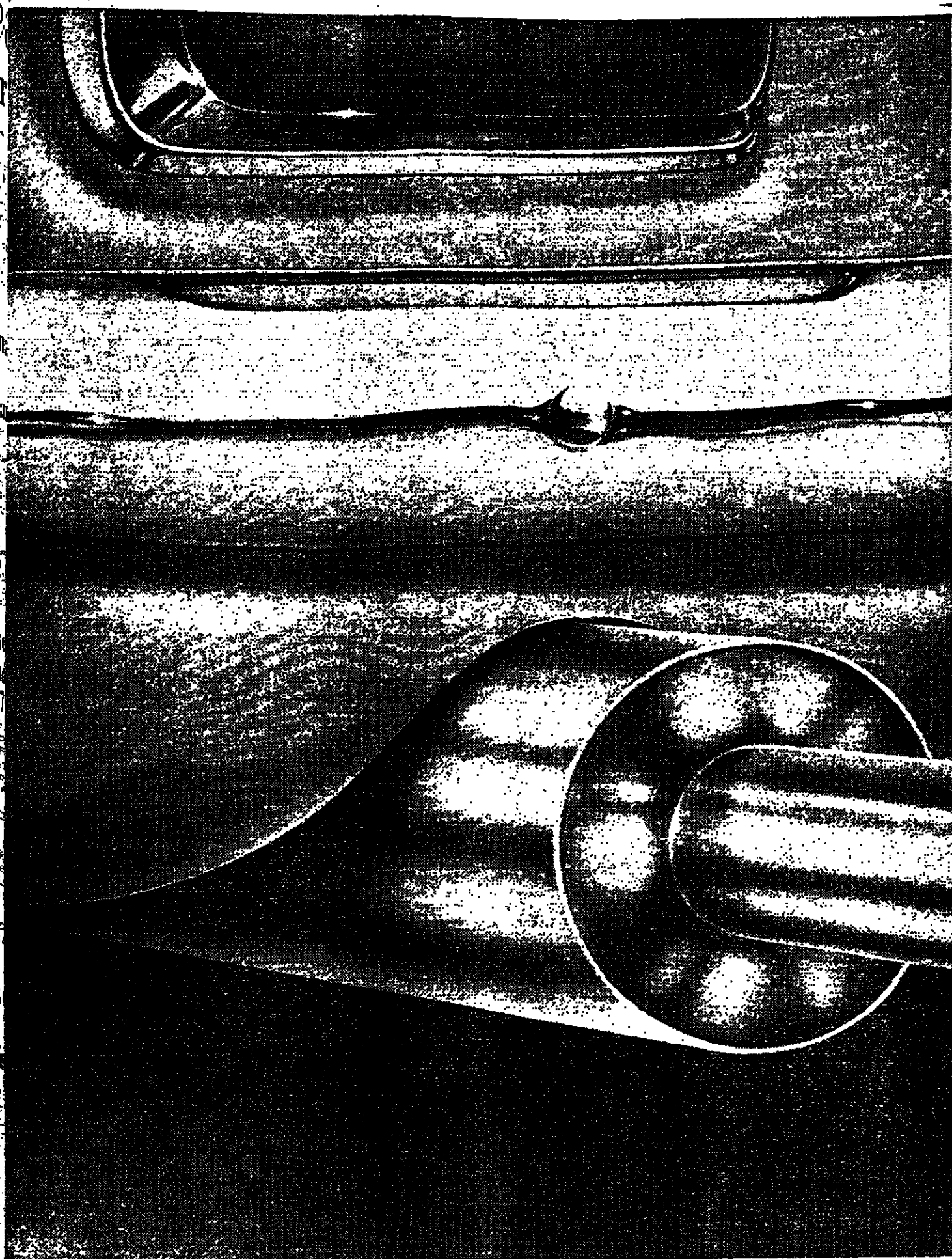
Earnings per 5p share are shown increasing net assets at £1.38p (£0.75p) before extra-releases would be about £5 ordinary items and 0.78p (£0.61p) in 1980, £12,000 in 1981, £20,000 in 1982, £18,000 in 1983 and £12,000 in 1984.

With turnover up from £529,000 to £690,000 pre-tax profit of Habit Precision Engineering rose £39,000 to £59,000 in the March 31, 1978, half year. Directors are confident the company will continue to progress.

The profit is after interest of £12,000 (£18,000) and is subject to tax of £48,000 (£28,000). There were extraordinary debits of £17,000 (£4,000).

English Card slips to £2.76m

ALTHOUGH TURNOVER rose from £17.6m to £19.09m pre-tax profit of English Card Clothing Company declined from £2.86m to £2.76m in the April 1, 1978, year.



It's a sad reflection on this modern throw-away world that we are too often prepared to buy something which is initially cheap, only to find before very long that it's nasty too.

Take exhaust systems. As you may know, they can be a source of trouble and expense. Now, for an extra cost of less than £10 on a £5,000 model, car makers could fit a stainless steel exhaust which would last five years instead of two. Think of the savings in money, inconvenience and blood-pressure this would bring.

So if you are involved in designing with steel or aluminium, brass, or copper, think again about stainless.

Of course, it can cost more initially. And by increasing the materials content, you push up your price. But don't dismiss stainless until you've done your sums right through, because often you'll find two things.

The longer life of the product makes the added cost worthwhile.

And you gain the two extra selling points of higher quality and cheaper maintenance.

Yes, think again about stainless. Find out the current facts about our range of thirty different types. And remember, our back-up service is always at your service, particularly in matching the performance of our steels to your exact needs.

Write to Mike Whitecross, BSC Stainless Marketing, PO Box 150, Sheffield S9 1TQ.

It's doomed to non-stop grit, filth, boiling gases and scalding acids. Why doesn't it care?

The cost of corrosion The Hoar Report* estimates Britain's losses from corrosion as costing us a horrifying three-and-a-half thousand million pounds.

Much of this loss is preventable. Stainless steel is the supreme example of an existing material that must be used more fully for its superb resistance to corrosion.

And British Steel has already invested £130 million in plant to double our capacity to supply it.

*"A Survey of Corrosion and Protection in the UK," published by the D.T.I. in 1971 (figures adjusted for inflation).

The material you've been looking for could be right at your fingertips.

BSC stainless

The aftermath of Amoco Cadiz

BY PAUL TAYLOR

MARCH 16 the steering gear aboard the Amoco Cadiz, a large crude oil carrier, failed and winds of up to force eight blew the vessel off its moorings on the north coast of Brittany. The vessel's bow was ruptured releasing a cargo of 220,000 tons of light oil on to the French coast and causing the world's first ever oil pollution disaster. Six days later the Liberian Bureau of Maritime Affairs, responsible for registering the ship, set up a five-man Board of Inquiry under Sir Gordon Miller, a former Admiralty Judge, to investigate the causes of the incident. Last Sunday, after taking evidence from dozens of witnesses during a 21-day hearing, the investigation was closed.

The evidence for the interim report, to be published by the Board in the autumn, falls into three areas. First, the technical evidence concerning the steering gear and the possible explanations for its failure: second, the apparent delay in calling for assistance once the steering gear failed; and third, the events surrounding the salvage attempt.

The three main witnesses at the inquiry, who together accounted for almost half the evidence, were Captain Jacques Bardari, master of the Amoco Cadiz, Captain Hartmut Weintert, master of the tugboat Pacific, and Mr. John L. Read, commercial and technical chief at the Astilleros Maritimos, a ship repair and maintenance factory where the steering gear was designed.

At 9.45 am on March 16 the Amoco Cadiz left the harbour of Brest on a voyage to the part of the Atlantic separation zone, about 7.5 miles north of the coast of Brittany. The ship was on a route to Rotterdam via the English Channel and the English coast. The ship was not responding to the bridge.

On inspection it was discovered that five of the six bolts holding a hydraulic pipe flange to the main steering gear distribution block had sheered. Oil was gushing from the stem.

The Amoco Cadiz steering system has not been covered from the wreck but its bolts taken from similar steering gear in sister ships suggested that they were made of sub-standard steel which was apparently reluctant to accept stresses of service. An unexplained pressure build-up in the system had caused them to

fail. The steering system, although operated by dual pumps, was fed from a single hydraulic fluid reservoir and therefore once efforts to repair the system failed the tanker was left without effective steering.

On the delay in calling for assistance the inquiry heard that the immediate response of Captain Bardari to the steering failure was to close down the engines and broadcast a warning to other ships to stay clear. It was not, however, until 11.10 a.m.—after the vessel had been drifting for almost one-and-a-half hours—that he made inquiries about tug assistance, and not until 11.20 a.m., when he was told the steering gear was beyond repair, that he called for assistance.

Even then he did not put out a general distress call. This was not successfully done until 11.18 p.m., more than two hours after the tanker first hit the rocks at 9.04 p.m. Captain Bardari argued that he was right not to call for assistance before 11.20 a.m., because it was not until then that he knew the steering was beyond repair.

The tug Pacific arrived on the scene at 12.20 p.m. and secured a tow line aboard at 1.31 p.m. The tug master argued that if a call for assistance had been made earlier not only would he have stood a better chance of saving the foundering tanker but a second tug might have arrived in time to assist him.

On the third point—the abortive attempts to tow the tanker out of danger—the Board was presented with contradictory evidence. It will have to consider why Captain Bardari was apparently reluctant to accept assistance, and why the standard form of salvage contract, a Lloyd's Open Form, was not used. It will also have to consider whether the tug captain threatened at one stage to drop the tow line unless this contract was agreed. The Board must also decide why at 4.15 p.m. the chain section of the tow line parted and why it was more than four hours before a second tow line was made fast. During these four hours Captain Bardari used the tanker's engines astern and the Board will want to consider whether the engines could have been used at any other stage.

April, accepted the need for a new traffic scheme further away from the Brittany coast and agreed to examine a number of important proposals in committee including changes to the 1970 Brussels convention on salvage, compensation arrangements and the relationship between master, ship owners and flag states.

It has also agreed to re-examine the regulations covering steering gear on tankers.

The Liberian inquiry findings are expected this autumn and will probably lend support to these proposals in time for a diplomatic convention next year.

There were misunderstandings between the two captains because of language difficulties. The Board will also consider recommending changes in training to ensure an acceptable degree of fluency in a common language, probably English.

Although the evidence concerning the wrangle between the two masters over the form of contract—salvage or an hourly towage rate—provides an interesting insight into the world of salvage, it is unlikely that it made any material difference to the disaster. A suggestion made by Captain Bardari and others that the tug had appeared unwilling to tow until a Lloyd's contract was agreed was convincingly refuted by Captain Weintert with the support of the tug engine logs.

The Board may however wish to comment on the dispute and might also make recommendations about the need to keep heavy towing equipment on board tankers in the light of evidence about the chain breaking.

The disaster and the inquiry have also raised broader questions about ships sailing under "flags of convenience".

The French Senate inquiry which has just released its findings, as expected has reiterated

APPOINTMENTS

Chairmanship change for Leopold Joseph Holdings

Sir Hugh Weeks, chairman of LEOPOLD JOSEPH HOLDINGS since 1966, is retiring after the annual meeting on July 28. He is to be succeeded by Mr. Robin Herbert, but will continue to be associated with the bank as a consultant. Sir Hugh was for many years a director of Finance Corporation for Industry and of Industrial and Commercial Finance Corporation. He was also chairman of the Economic Committee of the Confederation of British Industry. Between 1963-68 he was deputy-chairman of the Richard Thomas and Baldwins, and until 1972 was a director of the strip mills division of British Steel Corporation.

Admiral of the Fleet Sir Edward Ashmore, Chief of the Defence Staff until his retirement last summer, has accepted an invitation to join the Board of RACAL ELECTRONICS. Sir Edward, who takes up his appointment immediately, specialised in communications, both ashore and afloat, for the major part of his 44 years with the Royal Navy. For 10 years, until assuming broader responsibilities in 1971 as a NATO Supreme Commander and Commander in Chief of the British Fleet, he had responsibility for the operational and technical administration of naval communications on sea and land. Sir Edward became Chief of the Defence Staff and was promoted Admiral of the Fleet in February 1977, three years after being appointed First Sea Lord and Chief of the Naval Staff.

ESSOCHEM EUROPE INC., the company coordinating Exxon Corporation's chemical activities in Europe, Africa and the Middle East, has announced senior management changes in its Brussels organisation. Dr. Karl-Ludwig Böhrer, previously the company's vice-president for chemical specialties, has been appointed vice-president for plastics, succeeding Mr. John R. Eagle, who is moving to Houston, Texas, as plastics vice-president for Exxon Chemical Company USA. Mr. Anthony F. D. Pott, who has been appointed to succeed Mr. Böhrer as vice-president for chemical specialties, was previously the company's vice-president for special projects.

Mr. A. D. McN. Boyd has ceased to be chief executive of RICHARDSON WESTGARTH AND COMPANY, but continues as chairman. Mr. G. E. Darwin has been appointed chief executive.

Mr. E. Wall has been appointed managing director and chief executive of NATIONAL FREIGHT CORPORATION (INTERNATIONAL). Mr. Wall, who will take up his new post in August, succeeds Mr. R. H. Cook, who is returning to the UK to take up a senior position at NFC headquarters, as previously announced. Until the end of 1977, Mr. Wall was managing director of Wincanton Transport and deputy-chairman of the transport and engineering division of Unigate. Since leaving Unigate he has visited Iran on behalf of the NFC as a consultant working on the initial stages of a project to provide freight terminals at four Southern Iranian ports.

Mr. Colin Hope, director of Dunlop's engineering group, based at Coventry, has been appointed to the Board of DUNLOP LTD., the group's European operating company. Mr. Hope, who joined Dunlop in 1978 as director of the engineering group, is deputy-president of the Coventry Engineering Employers Association.

Sir Frank Marshall, formerly deputy chairman of MUNICIPAL MUTUAL INSURANCE and its subsidiaries, has been appointed chairman on the retirement of Sir Francis Hill. Lord Greenwood of Rossendale succeeds Sir Frank Marshall as deputy chairman.

Mr. John L. Rogers, chairman of the meat division of the UNIGATE GROUP, has left the company and relinquished all his appointments within the group. Mr. John L. Read assumes the chairmanship of the meat division in addition to his other responsibilities.

Mr. Keith Mitchell, who has been appointed deputy director of general of the INSTITUTE OF EXPORT, was formerly commercial manager for International Chemicals in Zambia.

Mr. Tony Stoller has been appointed the INDEPENDENT BROADCASTING AUTHORITY's head of radio programming. Currently senior officer (radio) at the IBA, he will take up his new post at the end of this month, succeeding Mr. Michael Starks, who is going to the BBC.

Mr. G. S. Bostock has joined the Board of the MIDLAND NEWS ASSOCIATION, publishers of the Express and Star and Shropshire Star. He was recently appointed chairman of Keeling and Walker, and is a director of R. F. Kershaw, Lloyd's underwriting agents, and Anthony Wieler and Co., investment consultants. Mr. Bostock retired from the family firm of Loins, of which he was vice-chairman and joint managing director, in 1962.

Mr. D. E. Waters, director and general manager of PORT TALBOT PLANT and of PTP Plant Hire, has been appointed managing director of both companies. He succeeds Mr. D. M. D. Mort, who has become chairman. Mr. Mort is also managing director of PTP Plant Sales.

Professor L. R. Pugh and Mr. J. A. Iqbal have both retired from the board of directors of the WPT KENT WATER COMPANY.

THE COUNTRYSIDE COMMISSION has appointed three people to serve on the new BROADS AUTHORITY, which is being formed in an attempt to solve the environmental problems of the area. They are: Mr. S. Bushell, of Norwich, a solicitor, former chairman of the Broads Society and currently a member of its executive committee; Dr. T. O'Riordan of Colney, a reader in the School of Environmental Sciences, University of East Anglia; Lt.-Cmd. A. S. McLean, of Drifley, Norfolk, chairman of Norfolk Naturalists' Trust.

Mr. George Styburski, a director of Bank America's wholly owned subsidiary WOBACO TRUST, has been appointed general manager of the international trust office in Nassau. This appointment follows the resignation of former managing director Mr. John Kitchen, who has joined Société Financière Européenne to establish a new trust operation in Nassau.

Mr. A. Woodward has been made commercial director of C. F. TAYLOR (HOLDINGS). Mr. R. Thompson is appointed director and general manager of KONTAK MANUFACTURING COMPANY and Mr. J. McEnlough is made marketing director of the company. Both are subsidiaries of Engineering and Industrial Securities.

Mr. L. A. M. F. Blair has been made managing director of TURNBULL GIBSON TRAVEL.

Mr. G. E. Isaacs has been appointed production director of VBSH, a member of Intermed, the Thomas Tilling medical, rehabilitation and health-care subsidiary.

Mr. Roger Eve has been appointed UK sales director, J. C. RAMFORD EXCAVATORS, Rochester, Staffs.

Mr. Richard Stokes has joined the board of JOHN VEALE ASSOCIATES, an executive search consultancy, as an executive director. He was previously group personnel director and a main board director of the Burton Group.

The Home Secretary has appointed Mr. T. N. Ritchie as a member of the GAMING BOARD FOR GREAT BRITAIN. Sir James Starritt has been reappointed for a further term. Mr. Robert T. M. McPhail has retired.

Mr. Mat Facey has become managing director of METRIC FASTENERS and of SNW on the retirement of Mr. Derek Brook.

Mr. M. A. Wilkinson has resigned from the Boards of GUARDIAN ROYAL EXCHANGE ASSURANCE and Guardian Assurance Company on taking up residence in Jersey.

Mr. William A. McNeill has been appointed a director of GATEWAY BUILDING SOCIETY. Mr. McNeill is managing director of Thomas Somerset and Co. (Textile Manufacturers), and a local director of the Ulster Bank.

Bowring and pharmaceuticals

An outstanding example of the way in which Bowring's UK Division operates is its handling of the insurance problems of The Wellcome Foundation Ltd.

This international pharmaceutical company is both large and complex. It is one of the world's major research establishments. It is high on the list of world providers of pharmaceuticals not only for medical purposes but also for animal husbandry and agriculture. It operates in over 50 different countries around the world.

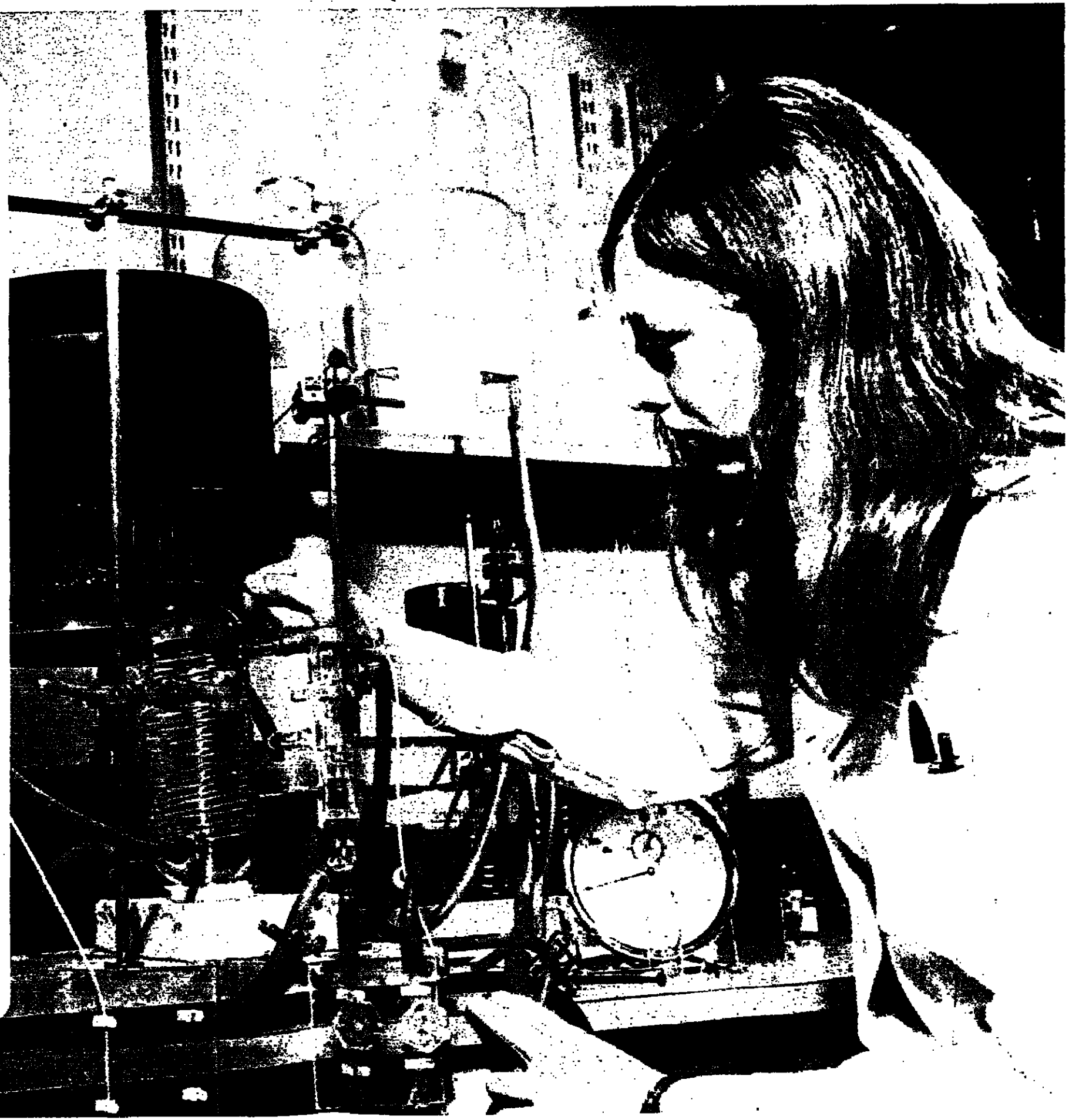
Coping with the intricate and varied insurance needs of such an undertaking calls for an exceptional range of skills. With its offices in the UK and overseas Bowring is in a unique position to provide them.

Bowring is a world-wide insurance broking network which places insurance and reinsurance business through Lloyd's and other major insurance markets.

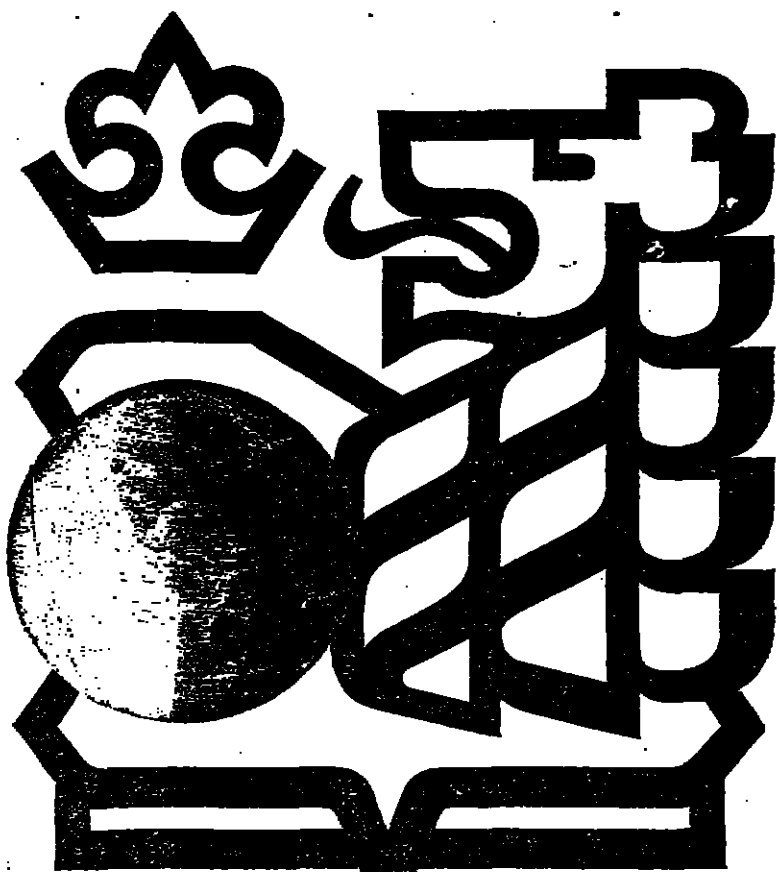
Bowring Insurance brokers to the world

C.T. Bowring (Insurance) Holdings Limited,
The Bowring Building, Tower Place, London EC3P 3BE
Tel: 01-283 3100 Telex: 882191

A member of the Bowring Group



Why involve a Canadian bank if your banking doesn't involve Canada?



It will probably come as no surprise to you that the Royal is Canada's largest bank. But, with assets exceeding \$35 billion, we're also the fifth largest bank on the North American continent, and one of the largest banks in the entire world. In fact—through our offices, representatives, subsidiaries, affiliates and correspondents—we're involved in banking in more than a hundred different countries.

Now size, we grant you, isn't all it takes to handle the worldwide needs of today's multi-nationals and governments.

But with size comes the expertise, the experience and the fast decision-making that it does take. Not just for basic international banking, but for project financing, Euro-currencies, import/export deals and the entire spectrum of international financial transactions.

So, if you have the feeling that your needs extend beyond your existing bank relationships, contact us. The Royal Bank. At (01) 606-6633 in London, 266-90-30 in Paris or (0600) 726 051 in Frankfurt. Even if your international business doesn't involve Canada. And especially if it does.



THE ROYAL BANK OF CANADA
One of the world's great banks.

"Bloody Marvellous... we get a problem—you get an opportunity"

Says Lyndon Humphries of Blaenau Gwent.

Life in industrial Wales has never been a soft touch. It breeds men like Lyndon Humphries who can take it as it comes, the rough with the smooth—and spit out the gritty bits. How this special character can help British industry is a matter of record. . . . FOR MORE THAN 40 YEARS THERE WAS NEVER A MAJOR INDUSTRIAL DISPUTE AT THE EBBW VALE STEEL WORKS!

Lyndon Humphries and his fellows are proud of this record. Although the threat of finding themselves out of work, as the steel industry shrinks, does not escape them. They are typical of the total force of experienced workers with different skills, resolutely resident in Blaenau Gwent.

What an opportunity for new industries to re-locate to this well favoured region—with one of the best workforces in Europe waiting to welcome them.

Blaenau Gwent is the nearest special development area to London and the Midlands. In addition to its skilled, stable workforce—sites and even fully serviced factories are immediately available.

FINANCIAL INCENTIVES ARE GENEROUS—For a manufacturing industry, advance factories can be rent free for up to five years, a 25% grant is available for new plant, machinery and buildings. For service industries, rent free accommodation is available for up to seven years, plus a grant of £1,500 for each job created plus a further grant for employees moving with their jobs into the area. Concessional loans can be negotiated towards the balance of the cost of a project. This amounts to the best financial package available to industrialists in Great Britain.

No this is the opportunity that is waiting for new industrial development in Blaenau Gwent—a perfect location for work—close to the M4 and M5 motorways. A perfect place to live—surrounded by some of the finest unspoilt countryside in Britain, on the edge of a national park. Send the coupon below to Roger Leadbeter, Chief Executive of Blaenau Gwent, who will be pleased to contact you and discuss your special arrangements.

BLAENAU GWENT opportunity looking for Industry—

Roger Leadbeter, Chief Executive, Borough of Blaenau Gwent, Municipal Offices, Civic Centre, Ebbw Vale, Gwent, NP23 6XB Tel: Ebbw Vale 303401

I am interested in moving to Blaenau Gwent.

Company _____ Position _____

Address _____

Lyndon Humphries would like to more widely focus that he and his mates established one of the best work records in European industry. There are about 2,000 of them—from the 1,400 Vale Steel Works available now to work for you in the special development area of Blaenau Gwent.



BIDS AND DEALS

Sime stake in Guthrie bought at well below current levels

BY JAMES BARTHOLOMEW

Sime Darby's 4.8 per cent stake in Guthrie, announced last week, was bought over a six month period ending a month ago at well below current market levels, said Mr. James Scott, chief executive of Sime Darby, speaking from Kuala Lumpur yesterday.

Shares of Guthrie, the 90 per cent British-owned company with interests in the Far East, were very active last week on take-over speculation. Sime Darby announced its current stake and stated that it had "no present intention to increase its investment in Guthrie."

Mr. Scott added yesterday that the Guthrie stake had been bought at about 250p to 270p per share and said it was "a good month since we bought a share."

The purchases were made, he said, because the prices of commodities which Guthrie produces—rubber and palm oil—were looking good. Moreover Guthrie's share prices had been in relation to that of other comparable producers.

But now that Guthrie's shares have climbed up to 330p, Mr. Scott said that the purchases were "doubtful."

The stake should be seen in the context of the many trade investments which Sime Darby has made, he said. Sime had been particularly active in building them up this year.

As is normal in the Far East, a number of rumours have been circulating about the markets about Sime Darby's intentions. These included the assertion that parties acting in concert with Sime had been buying shares from Hong Kong.

Mr. Scott said: "I can tell you straight that we bought these shares on our own and there is no question of concert parties or anything of the sort."

It did not surprise him that a lot of Far Eastern buyers had appeared. The shares had been too low.

Mr. Scott also denied that Sime bought the Guthrie stake as the bestest of the Malaysian Government with the aim of speeding up the "Malaysiaisation" programme. He said that Permas, a Government agency, held just under 20 per cent of Sime but in any case, Guthrie's existing plans were widely considered a "shining example" of Malaysiaisation.

From the Guthrie side, record demand for copies of the shares register is reported. The secretary of the company, Mr. Ogan-shaw, has discovered the beneficial owners of the bigger nominal shareholdings, as he is entitled to do, and estimates that only about 10 to 13 per cent of the shares are owned outside the UK. The British shareholders own

about half and half of individual shareholders and investment institutions. This about 10 per cent of the British holders do not fall into these categories. The scope for any potential bidder "speaking up" on Guthrie appears limited.

Mr. Ian Coates, managing director of Guthrie, said on Monday that it would be his duty to look at any bid from wherever it came. He noted that Guthrie is not just a plantation company but has carpet and other operations. The interests of the 4,000 British employees would have to be among those considered in the event of a bid.

Testifying to the diversity of Guthrie was a Middle Eastern deal announced this week. Guthrie has taken 49 per cent of a partnership with A. R. E. Galadari and Brothers of Dubai. The new company, Guthrie Galadari with 21.2m of share and loan capital, will distribute food and other consumer products in the Gulf States.

Mr. Coates said that Guthrie had wanted to establish a presence in the Middle East for some time and had been looking for a good partner. The Gulf states combined political stability with the economic growth of the Middle East as a continuing already has experience of trade with the Middle East as a continuing house and has particular experience of food distribution in the UK and elsewhere.

BAT sells Brazil food chain

British American Tobacco's quoted Brazilian subsidiary, Souza Cruz, has sold its chain of 34 food stores in Rio de Janeiro and Sao Paulo for just under £1m (Crucial 230m). The Brazilian Pao de Acucar, the leading supermarket operator which runs the "Jumbo" chain not only in Brazil but also in Spain and Portugal.

A spokesman for BAT's in London said yesterday that Souza Cruz chain of stores, called Pec-Paz had been running at a loss (amounting to £1m in 1977) and the company had been faced with a decision either to extend it substantially or withdraw from the market, in favour of more established chains.

Souza Cruz bought Pec-Paz in 1972 for £21m. The surplus from the sale will now be spent on other potentially lucrative forms of investment, a spokesman in Rio commented.

Souza is one of BAT's most important cigarette companies, virtually controlling the Brazilian market which is constantly expanding and where the Government has permitted yearly price rises.

Reports from Brazil suggest Souza is considering investing the Pec-Paz proceeds in a new plastic film enterprise or possibly in a cellophane unit that would supply its cigarette packaging requirements.

JAMAICA SUGAR TALKS DELAYD

Jamaica Sugar Estates has

announced a further delay in negotiations with the National Sugar Company for the acquisition of NSC's sugar assets.

An agreement embodying the agreed terms had been drafted by NSC's legal advisers and approved by the directors and a first proof of a circular to shareholders had been printed with a view to placing the proposals before the shareholders.

However, the directors were advised recently that the Ministry of Finance could not give permission for one of the principal terms and had thrown doubt on whether another of these terms was acceptable.

NSC has now written to confirm this and has at the same time put forward alternative proposals which in the present form, the directors would not recommend to shareholders. Accordingly, they are to reopen negotiations with NSC as a matter of urgency to endeavour to reach agreement on a meeting has been arranged in Jamaica early next week.

However, the directors wish to stress the difficult background against which these negotiations are taking place and, in particular, the possibility as mentioned in the chairman's announcement of February 27 of compulsory acquisition under legislation passed for the purpose.

The result of this latest development is to postpone in the meantime the placing of any proposals before the shareholders and to delay the completion of the audit and so the placing before holders

BSG £1m expansion

BSG International has agreed to pay £1.1m in cash for the capital of Vega Auto Holdings, a private company with two subsidiaries, Vega Auto Products and GH Tools. In addition BSG will issue 301,271 ordinary shares.

Pre-tax profit of Vega for the year to March 31, 1978, amounted to £262,827. This was after charging directors' remuneration and expenses of £78,348 which will be non-recurring after the purchase by BSG. The directors feel that the value of net tangible assets should increase when the properties are revalued.

Leasehold properties were last valued in 1974 and freehold properties have not been valued since their purchase in 1976.

Vega is a designer and manufacturer of motor vehicle lighting equipment with two factories at Duxford and one at Worcester. This purchase is complementary to BSG's existing vehicle lighting business Britax (PMG).

The two companies give BSG a greatly enhanced lighting division with a profit capability of some £1m.

SANGERS PURCHASE—Sangers announces that its wholly-owned subsidiary Sangers Optics, has acquired a retail optical business in Kent for a total consideration of £105,000.

The consideration has been satisfied by the issue of 131,072 ordinary shares of Sangers. These shares do not rank for the final dividend declared for payment on October 2.

COMPANY NOTICES

Notice to the Holders of Bonds of the Issue 85-1977/78 of US\$25,000,000

made by the EUROPEAN COAL AND STEEL COMMUNITY

The Commission of the European Communities announces that the annual instalment of bonds amounting to US\$3,000,000 has been purchased for redemption on September 1, 1978.

GRANGES ARTISOLAG

Copies of the Annual Report for the year ended 31st December, 1977 are now obtainable from:

S. G. WARBURG & CO. LTD.,
St. Albans House,
Columbo Street,
London EC2P 2DL.
8th July 1978.

TORAY INDUSTRIES, INC. (formerly Toray Kasei Kogyo Kabushiki Kaisha)

S. G. WARBURG & CO. LTD. announce that a dividend for the year ended 31st March 1978 of 10 pence per share has been paid to shareholders on the basis of the share register as at 31st March 1978. In respect of the six months period ended 30th June 1978, holders of Registered Depository Receipts issued by S. G. Warburg & Co. Ltd. may present Coupon No. 31 for payment to the Company Secretary, St. Albans House, Columbo Street, London EC2P 2DL.

2nd Banque Internationale a Luxembourg, Luxembourg, for the purpose of the production of Japanese Withholding Tax and United Kingdom Income Tax if any at the appropriate rates. Details of the procedure can be obtained from the Paris Agents.

S. G. WARBURG & CO. LTD. As Depositary.

7th July 1978.

PUBLIC NOTICE

TAYSIDE REGIONAL COUNCIL

£2,000,000. 5% Rate £2.75 p.a. 10 years. £10.75. Total applications £16.5m. Total outstanding £6m.

Pyke family sells stake at 30p a share

By Christine Moir

In an unusual deal, the Pyke family, who own the whole butchery company, at £220, sold a market value of £244.2 the Pyke family has sold 21 per cent of the equity to a

and Mrs. D. H. Thompson, 71 price was 30 pence. Yesterday's market price was 43p.

Mr. D. H. Thompson, who is director of Unilever, the firm group in which he holds 44 per cent of the shares, has announced he is close to the butchery to all his life. Yesterday's purchase being over 30 per cent, so naturally triggers off an offer the remaining shareholders.

However, at 30p this offer is not look very attractive and, indeed, Mr. Thompson does appear over-eager to get out of the firm. In statement yesterday he said that he was buying the shares from the Pykes as an investment.

The most interesting aspect of the deal now is what position he will adopt as a new shareholder. Cyril Hurvitz (U) the British arm of the international meat traders of U) name Hurvitz built up its share in Pyke during 1974 and by doing so triggered off a wave of speculation which drove the share up to a peak of 50p.

Since March this year speculation has again surrounded the company and the shares have steadily edged up from 30p.

ARMSTRONG OFFER UNCONDITIONAL

A wholly-owned subsidiary Armstrong Equipment yesterday purchased a further 74.1 per cent of shares in Cornercroft 61p per share.

Armstrong now holds or has received acceptance in respect of 1,250,000 ordinary shares (50 of which are held by its subsidiary) and is therefore unconditional as to the offer will lapse if referred to the Monopolies Commission.

Almirk made pre-tax profits of £2,000 (£11,000) last year.

GRAND MET

Grand Metropolitan is to make an offer for Alnwick Brewery Company in Northumbria. Despite its name, Alnwick Brewery is a distributor of a wide range of wines, beers, spirits and soft drinks. It is a public company.

The terms of the offer, which is to be made through Grand Metropolitan's subsidiary, Dr. Brough and Co., are equivalent to 23.25 each £1 ordinary share and £1 for each 5 per cent non-redeemable preference share.

The offer will lapse if referred to the Monopolies Commission. Alnwick made pre-tax profits of £2,000 (£11,000) last year.

NO PROBES

The following proposed mergers are not to be referred to the Monopolies Commission: Unigate Carding Group; and Dana Corporation-Turner Manufacturing.

SCOTCROS

Extracts from the statement by the chairman, Mr. W. R. Alexander

After five years of uninterrupted growth of sales and profits 1977 was clearly a considerable disappointment; the single major factor was exceptional expenditure of £334,000 incurred at our packaging plant in Edinburgh. However it was also a year of investment and development for Scotcros, notably the 80 per cent acquisition of the Remy Group in France.

The last quarter of the financial year was an exceptionally difficult trading period with shorter order books and therefore pressure on margins. The indications are that this trend has now been reversed and, with the most difficult part of the development cycle behind us, the group is equipped for a sustained period of organic growth both in the UK and overseas. I am hopeful that profits in the first half of the current year will return to the level of those for the same period as last year and the results for the current year as a whole will demonstrate that Scotcros has resumed the growth which has been a feature of recent years.

A copy of the report and accounts may be obtained from: The Secretary, Scotcros Limited, Fitzpatrick House, Cadogan Street, Glasgow G2 6QR

SCOTCROS

Packaging • Food and drink • Transport equipment



Jonas Woodhead

VEHICLE SUSPENSION SPECIALISTS

RECORD RESULTS—year to 31st March, 1978

	1978	1977
	£'000	£'000
Group turnover	56,600	45,200
Profit before tax	4,952	4,576
Exports	6,521	4,916
Dividend per share	3.8p	3.45p

Points from the statement by the Chairman, Mr. E. S. Simpson:

- Final dividend—the maximum permitted by current legislation.
- Exports have shown a useful increase over the previous year.
- All Divisions will benefit from the high level of capital authorisations planned for 1978/79.
- Prospects: With a measure of economic stability, stricter controls of imports from outside the EEC and good sense on the labour relations front we will progress to better things.

We continue to plan for further organic growth and expansion.

Copies of the Report and Accounts are obtainable from the Secretary, Jonas Woodhead & Sons Limited, Kirkstall Road, Leeds LS4 2AQ.

THE WOODHEAD GROUP OF COMPANIES

مكتبة

TERRY OGG

REAL price of Gilts (consolidated) has fallen to its lowest level for 50 years. The six-month gilt is now at a mere 30 pence, down from 40 pence in January 1, 1947. The price of the gilt is now at a mere 30 pence, down from 40 pence in January 1, 1947. The price of the gilt is now at a mere 30 pence, down from 40 pence in January 1, 1947.

MINING NEWS

De Beers reduces gem diamond surcharge

BY PAUL CHEESERIGHT

A SURCHARGE of 10 per cent will be imposed on rough gem diamonds sold by De Beers Central to the De Beers Central Selling Organisation in London next Monday, a company spokesman said yesterday.

Industries expects further increase

FORECASTING another release in profits for Lindemans in current year Mr. W. E. chairman draws attention to the fact that the difficult conditions which arose at the end of the last financial year were very much better.

Japanese warn Australia of lower iron and coal needs

AUSTRALIAN iron and coal companies have reportedly received some blunt warnings in private discussions with a high level delegation of representatives from Japanese steel mills, writes James Forth from Sydney.

SHARE STAKES

Reed Executive—Mr. A. E. Reed, chairman, has acquired a further 30,000 shares for one of his non-beneficial trusts, Treaco English Settlement. The total non-beneficial holding for Mr. Reed is 2,140,355 shares.

BOW VALLEY COAL PROPERTY

Bow Valley Industries, the Calgary, oil and gas and minerals group, is planning to acquire a 50 per cent interest in the U.S. through the purchase of additional reserves in Barlow County, Kentucky.

James Finlay & Co., Ltd. 1977 RESULTS

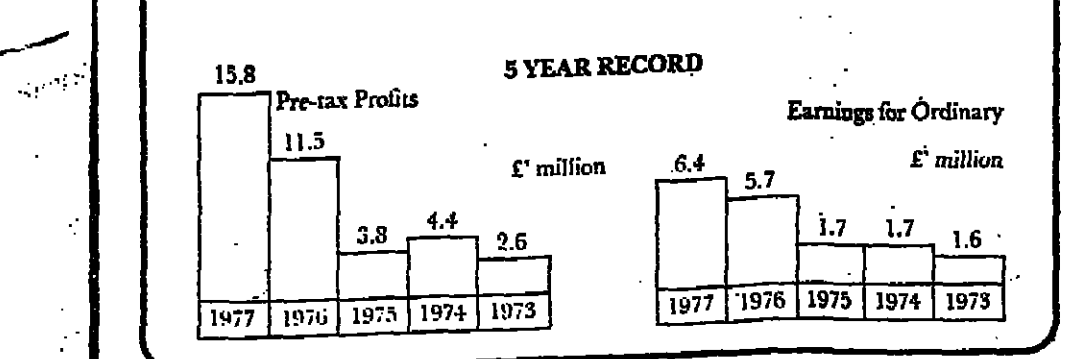
"I am pleased to report that results for 1977 were once again an all time record."

Sir Colin Campbell, Bart, M.C., Chairman.

	1977	1976	Increase
Pre-tax profits	£10,780	£10,000	37%
Earnings for Ordinary Stock	6,403	5,723	12%
Earnings per Ordinary Stock Unit	61.5p	54.9p	12%
Net Tangible Assets for Ordinary Stock	48,926	34,035	44%
Net Tangible Assets per Ordinary Stock Unit	469.7p	326.7p	44%
Gross Assets	99,374	75,794	29%

- 1977 HIGHLIGHTS**
- Group Results All Time Record.
 - Record Year in Confectionery and Beverage Manufacture.
 - Short Term Liquid and Realisable Assets exceed £10 million.

- 1978 TO DATE**
- Scaforth Maritime Limited—Offer in Progress.
 - North Sea Exploration Interests valued at £3.8 million.



Copies of the 1977 Annual Report can be obtained from The Secretary at Finlay House, 10/14 West Nile Street, Glasgow G1 2PP.

Caffyns faces much heavier interest costs

The current year has started well for Caffyns. Sales for the first two months are up about a third, or by 20 per cent, over the same period last year.

Growth for Dartmouth Inv.

The major part of Dartmouth Investments capital investment programme has been generally completed and with only AGT payable, a year of consolidation and positive cash flow is in prospect.

Price rise forces Ferranti shares to be withdrawn

THE FACILITY to allow dealings in Ferranti shares on the Stock Exchange under rule 163 (2) was withdrawn yesterday following the recent sharp rise in their price.

Deficit for Glanfield Lawrence

ALTHOUGH TURNOVER rose from £4.6m to £4.55m, there was a £23,000 turnover deficit in the pre-tax loss at Glanfield Lawrence in the April 2, 1978 half year.

Woodhead concerned by imports

IN THE first few weeks of trading in the current year at Jones Woodhead there has been no evidence of any favourable movement in customer schedules and there are two predominant concerns, Mr. E. S. Simpson, the chairman, says in his annual statement.

Foster Bros ahead of sales targets

Mr. H. G. High, chairman of Foster Brothers Clothing Company, says that the company is ahead of its sales targets for the first four months of the year.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

NORTH AMERICAN NEWS

Upsurge in gaming profits continues

By David Lascelles
NEW YORK, July 5.
THE BOOM in gambling shares on Wall Street may be over, but the boom in the companies' profits continues.
Resorts International, which opened the country's first gaming casino outside the state of Nevada in Atlantic City, New Jersey, in May, today published operating statistics for the month of June which shows a steady increase in revenue.
The net win—the phrase used to describe takings at the gaming tables and slot machines before operating costs—amounted to just over \$18m. This works out at a daily average of \$594,627, or nearly 22 per cent more than the \$438,504 netted by the casino in the six days of operation in May, which included the hectic opening ceremony and the Memorial Day holiday weekend.
Of the June total, \$7.2m came from the slot machines, and \$8.8m from the gaming tables, reflecting the high popularity of the slot machines.
Few people now doubt that Atlantic City has an important future as a gambling resort—provided the state can regulate it effectively.

Amendment to leases rule

STAMFORD, July 5.
THE FINANCIAL Accounting Standards Board (FASB) has issued an amendment of its statement FASB 13 "Accounting for Leases". The new statement, FASB 22, deals with revisions to lease agreements resulting from refundings of tax-exempt debt.
In response to a request to reconcile an apparent inconsistency between FASB 13 and Accounting Principles Board Opinion No. 26 on the early extinguishment of debt, the FASB has amended its statement to make it compatible with the Accounting Principles Board Opinion on changes to a lease agreement resulting from a refunding of tax-exempt debt. Gains or losses from such changes in lease agreements will henceforth be recognised when they occur, rather than over the remaining term of the lease as called for by the original FASB statement.
The statement FASB 22 is effective for revisions of lease agreements entered into on or after July 1, 1978.
AP-DJ

Inland Steel expecting record second quarter

CHICAGO, July 5.
THE CHAIRMAN of Inland Steel, Mr. Frederick G. Jaicks, said he expects 1978 earnings to rise to at least \$5.40 a primary share, compared with last year's \$4.23.
Mr. Jaicks said in an interview that earnings for Inland could be even higher if the company maintains the first half's high productivity.
Second quarter earnings would be higher than 1977's record of \$1.97 a share, although he declined to say by how much.
Inland will have a second quarter shipment record of 1.6m tons or better, he added.
Third quarter bookings have continued in the past few weeks at a very high level, and Inland should be operating at over 90 per cent of capacity through the third quarter.
Shipments for 1978 should be operating at over 90 per cent of capacity through the third quarter, he added.
He was disappointed that

Ashland Oil may sell Canadian unit

By Robert Gibbons
MONTREAL, July 5.
ASHLAND OIL confirmed in New York that it may sell its 54 per cent ownership interest in Ashland Oil Canada Ltd., of Calgary.
"Serious expressions of interest have been made," Ashland said, "and discussions are being conducted to evaluate the nature and extent of this interest."
Reader adds from Ashland, Kentucky: Ashland oil has previously said that it was considering a disposition of its Canadian subsidiary.
Ashland Oil Canada's stock yesterday rose CSI to C23.1 on 35,000 shares on the Toronto Stock Exchange before trading was halted.

Bow Valley coal rights

Bow Valley Industries, through U.S. subsidiary Flying Diamond Corporation, has acquired coal mining rights under 2,800 acres in Barren City, Kentucky, reports our Montreal correspondent. They are adjacent to further reserves already being mined by another Bow Valley U.S. subsidiary.

World Bank borrowing

FRANKFURT, July 5.
THE World Bank does not plan any dollar borrowing in fiscal 1978-79, even though it borrowed \$1.3bn in 1977, Mr. Eugene H. Rotberg, vice-president and treasurer of the bank has said.
Mr. Rotberg said wide interest differentials between currencies, and the potential revaluations they pose, had moved the bank to decide that it would prefer to borrow dollars at this time.
Mr. Rotberg said that in fiscal 1978, which started on July 1, World Bank borrowings would amount to the equivalent of about \$4.3bn, slightly up from the \$4.2bn of the previous fiscal year.
However, the allotment of the borrowing differs drastically from fiscal 1977. In fiscal 1977, rollover financing will account for some \$1.3bn, and the other \$3bn will be divided equally between Swiss francs, Deutsche Marks and Japanese yen, Mr. Rotberg said.
In comparison, the World Bank borrowed some \$1.3bn in fiscal 1977, which amounted to more than one fourth of its \$4.3bn total. The equivalent of some \$1.2bn was borrowed in Deutsche Marks, the equivalent of only \$500m in Swiss francs, and only \$300m in Japanese yen, Mr. Rotberg said.
He said the interest rate differential on long-term funds was 5 per cent between the dollar and the Swiss franc, 3.25 per cent between the dollar and the Deutsche Mark, and 3 per cent between the dollar and the yen.
"These differentials are too wide for us to borrow dollars," Mr. Rotberg said, adding that World Bank figures showed a potential 79 per cent revaluation of the Swiss franc over a 15-year term. "We don't take currency risks," he said.
AP-DJ

South Africa considering syndicated Euroloan

BY MARTIN DICKSON
THE South African Government might go to the international capital markets for a new borrowing during the next few months if it decides this is advisable, Senator Owen Horwood, the country's Finance Minister, said in London yesterday.
He did not envisage any fresh borrowing being a public issue, but said he had in mind the possibility of a syndicated loan from a few institutions or a private placement. He told news agencies that he had not yet given thought to the sum that might be sought.
The Finance Minister stressed that the Government did not need to go to the market for balance of payments purposes. The country had now sorted out its balance of payments difficulties and figures for the first four months of this year suggested that the current account surplus for 1978 might approach R1bn.
However, he said some of South Africa's advisers had suggested that a new borrowing could be advisable from a longer-term development point of view. "Overall sentiment in the capital markets has improved for South Africa in recent months," he added.
Mr. Horwood, who is on a tour of European financial centres, said he had not come here to loan syndicated among many a very small number of would certainly leak out, he assumed that no banks were to public pressure a South African lending join in.
At the same time, South is now rated a much more credit risk than was the case in 1976 with the result that generally have cut their credit ratings to the C level. Several continental banks, he pointed out, had been asked to review their credit ratings for South Africa. These countries have been instructed by their authorities to re-evaluate their credit ratings for South Africa in this way.
One U.S. banker yesterday said that any syndicated loan that South Africa would likely to be provided by Germany, Sweden, Italy, France, the Netherlands and most notably Germany the only two where there have been public deals have been arranged for South African borrowings the last few months. The U.S. banker said that the U.S. dollar for South Africa was not leading to the rowers has improved considerably in recent months.

Strong progress at Dornier

BY ADRIAN DICKS
DORNIER, the West German well as for a number of other export customers including Morocco, Togo and the Ivory Coast.
On the civil side, Dornier's skyserver continued to provide the company with good business, with the sale of 200 aircraft now completed and delivered. For the future Dornier is expecting both these aircraft programmes to give it plenty of work. In addition, it is expanding non-aerospace activities in such fields as nuclear power control technology, solar engineering, and which will be reached in late recovery of metals from waste, 1978, in order to meet outstanding orders for some 300 Alpha jets for the West German, French and Belgian air forces as well as the European airborne warning and control system (AWACS) for which Boeing has confirmed that Dornier will act as main contractor if a final go-ahead is given by NATO governments.
Meanwhile, Dornier repeatedly made clear that it does not wish to get caught in the increasingly complex restructuring of the German aerospace industry but carried out under pressure from the Bonn government.
The company is well placed to resist external pressures for it is proud to point out, it secured a substantial multi-order book without having to state aid—all of which has been paid back.

Kockums secures order

BY WILLIAM DUFFELL
STOCKHOLM, July 5.
KOCKUMS, the Malmö group operating the last major Swedish shipyard in private control, has won an order for three floating cement-handling terminals from Libexim, a trading company registered in Panama. Only last week, the group had announced the withdrawal of redundancy notices for 900 workers after receiving an order to build a third roll on/off vessel.
Mr. Olafur Sigurdsson, the managing director, said the cement terminals were the first big "alternative production" job secured for the shipyard. The price is not being revealed but, as all three terminals are scheduled to be completed by the end of the year, they are likely to bring only temporary relief to the vessels.
Kockums' financial and employment situations.
The terminals are of a novel design intended to facilitate cement handling for new harbour projects or for major construction jobs in developing countries. They are relatively simple structures of 16,000 dwt, 124 metres long, 22.8 metres wide and with a draught of 12.8 metres. They have no propulsion machinery but will carry a diesel engine to provide power for the cement handling equipment.
Last month Kockums obtained a SKr 340m (\$74m) state loan and arranged \$200m credit facility, guaranteed by the state, to finance the LNG carriers it is building on its own account. It still has to find a buyer for these vessels.

Pop group earns \$11m

BY OUR NORDIC CORRESPONDENT
STOCKHOLM, July 5.
ABBA, the Swedish "pop group," reports earnings of SKr 50m (almost \$11m) on a SKr 36m turnover for the year ended April 30.
Earnings were up by SKr 3m and sales by SKr 6m. Since the four Swedish singers won the Eurovision song contest in 1974, their company has sold records to a value of SKr 227m.
ABBA's main company is Polar Music, which is owned half by the four singers and half by their manager, Mr. Stig Anderson. A similar ownership pattern applies to Polar Music International, the investment company through which ABBA places its income.
Last year ABBA invested SKr 30m in a large Stockholm property and formed, together with Beijerinvest, the industrial and trading group, Sannes Trading, a company designed to convert ABBA's large Ruble investment in the Soviet Union into hard currency through trade deals.
Three-quarters of last year's turnover arose outside Sweden and ABBA is currently investing SKr 2.5m in an attempt to break into the U.S. market. It also has plans to extend sales in Japan.

Veba confirms sharp recovery this year

By Our Financial Staff
DUESSELDORF, July 5.
EARNINGS OF Veba, the West German national energy concern, improved during the first six months of 1978, following a slide in 1977 to DM 70m (\$34m) from DM 225m in barely changing turnover of DM 27.4bn.
Veba, 44 per cent owned by the German Government, reported that considerably higher profits were achieved in some divisions although losses are being made on oil and chemical activities.
The company repeated its forecast made when announcing DM 500m sale of refinery, and marketing interests to 8 that this year's overall result should be a good deal better than that of 1977.
Rationalisation and restructuring measures, together with lower refined oil prices, should allow losses in the oil sector to be well kept.
Structural problems persist, however, and a rise in prices for all products remains necessary to bring about a return to financial health in this sector.
Electricity will make a substantial contribution to gross profit this year, helped by the resumed operation of the rate wester nuclear power station at the rise in electricity prices in year.
In the chemical sector, the company expects a positive, but not a satisfactory result, because market revival is expected before the autumn.

البنك السعودي البريطاني
The Saudi British Bank
Established 1978

Jeddah-Riyadh-Alkhabar-Dammam
A commercial bank owned 60% by the Saudi public and 40% by The British Bank of the Middle East, a member of The Hongkong Bank Group.
Head Office: PO Box 109, Jeddah. Telex 401051 SJ.

AUSTRIAN COMPANY NEWS

Lower profits hit brewery payout

BY PAUL LENDVAY
VIENNA, July 5.
BRAU AG, a leading Austrian brewery, is reducing its dividend for 1977 from 12 per cent to 10 per cent. Turnover last year rose by 3.6 per cent to Sch.1.5bn, but net profit was down from Sch.374m to Sch.311m (\$2.1bn).
Concerning the projected merger with Schwechat, another major brewery, the Board said this had been virtually completed through the merger of the respective holding companies last year. It was only certain "legal problems" which had led to the postponement of a formal decision. It is understood, however, that the evaluation of the assets is still at issue and the fact that the takeover price also affects Austria's largest bank, Creditanstalt Bankverein, which has a minority interest in Schwechat. But Brau AG gave notice that production staff at Schwechat will have to be reduced from 1,400 to 1,200 or even less during the next 18 months.
Brau AG has a market share of 26 per cent of the domestic brewery output and 12.3 per cent of beer exports. Following the merger, the company will redeploy its capacity, concentrating for example in Linz on the production of non-alcoholic drinks.
Last year, Brau AG managed to increase its turnover by 1.8 per cent to 2.65m hectolitres, with brewery output up by 1.8 per cent to 2.05m hectolitres. This was still slightly over the average Austrian growth rate of 1 per cent. For non-alcoholic drinks a record output of 1,000,000 hectolitres was achieved last year.
Turning to imports, the Board expressed satisfaction that lower purchases of foreign beers had caused domestic brewery output in the first quarter this year to rise by 3 per cent. During January-April this year beer imports were down by 23 per cent to 101,000 hectolitres, while Austrian exports rose by 34 per cent to 62,000 hectolitres.
Treibacher, the Austrian chemical company, is reducing its dividend from 13 per cent (including a bonus of 8 per cent) to 11 per cent for 1977 on capital increased to Sch. 160m to Sch. 140m. The company has been hit by the drop in the value of the dollar, because it exports 79 per cent of its output with about 70 per cent of sales invoiced in dollars, the Board said.
With investments likely to total Sch. 260m, the company seeks in the next 18 months to expand its raw material bases partly through recycling. At present, it has to purchase four-fifths of its raw materials overseas. The effects of the dollar crisis have been made worse by the steel depression. Nevertheless, the company managed to increase its turnover last year and boiler manufacture. The per cent to Sch.645m.



Ito-Yokado Co., Ltd.

(A Japanese Company)

\$50,000,000

5 3/4% Convertible Debentures due August 31, 1993

\$20,000,000

9 1/8% Notes due August 31, 1983

Goldman, Sachs & Co.

Nomura Securities International, Inc.

J. Henry Schroder Wagg & Co.
Limited

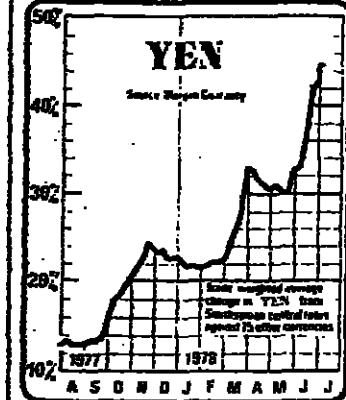
ABD Securities Corporation	Atlantic Capital Corporation	Bache Halsey Stuart Shields Incorporated
Banque Nationale de Paris	Banque de Neufilze, Schlumberger, Mallet	
Banque de l'Union Européenne	Barclays Bank International Limited	Baring Brothers & Co., Limited
Basle Securities Corporation	Bear, Stearns & Co.	Berliner Handels-und Frankfurter Bank
Blyth Eastman Dillon & Co. Incorporated	Crédit Commercial de France	Credit Suisse White Weld Limited
Daiwa Securities America Inc.	Dillon, Read & Co. Inc.	Drexel Burnham Lambert Limited
EuroPartners Securities Corporation	The First Boston Corporation	Robert Fleming Incorporated
Hambros Bank Limited	Hill Samuel & Co. Limited	E. F. Hutton & Company Inc. Kidder, Peabody & Co. Incorporated
Kleinwort, Benson Limited		Kredietbank S.A. Luxembourgeoise
Kuhn Loeb Lehman Brothers International		Lazard Frères & Co.
Loeb Rhoades, Hornblower & Co.	Merrill Lynch White Weld Capital Markets Group	Merrill Lynch, Pierce, Fenner & Smith Incorporated
Samuel Montagu & Co. Limited	Morgan Grenfell & Co. Limited	New Court Securities Corporation
The Nikko Securities Co. International, Inc.	Nomura Europe N.V.	Okasan Securities Co., Ltd.
Orion Bank Limited	Osakaya Securities Co., Ltd.	Paine, Webber, Jackson & Curtis Incorporated
Pictet International Ltd.	PKbanken	L. F. Rothschild, Unterberg, Towbin
Salomon Brothers	Schroders & Chartered Limited	Shearson Hayden Stone Inc.
Smith Barney, Harris Upham & Co. Incorporated	Société Générale	SoGen-Swiss International Corporation
Vereins-und Westbank Aktiengesellschaft	Vickers, da Costa International Limited	Warburg Paribas Becker
Wertheim & Co., Inc.	Westdeutsche Landesbank Girozentrale	Dean Witter Reynolds Inc.
Yamaichi International (America), Inc.		Yamatane Securities Co., Ltd.

July, 1978

Currency, Money and Gold Markets

Dollar steady as pressure eases

Pressure on the U.S. dollar unchanged at 61.4. The dollar showed a slight improvement in early trading and DM 2.0500 or around its best level for the day. However, with no change in the fundamental reasons for the dollar's recent decline, the undercurrent remained generally nervous. Trading was a little quieter than on Tuesday and the dollar seemed to benefit from a little profit-taking and occasional central bank intervention. The market appears to be awaiting any outcome of the two-day European Community summit which begins in Brussels today. This was despite the fact that no decisions are expected on a



widening of the "snake" and that the question will only be dealt with in informal discussions. Using Morgan Guaranty figures at noon in New York, the dollar's trade-weighted average depreciation widened to 7.8 per cent from 7.5 per cent although the latter figure was calculated on Monday. The dollar improved to DM 2.0533 from DM 2.0463 against the West German mark while the Swiss franc also eased in dollar terms to Sfr 1.8170 from Sfr 1.7890 previously. The Japanese yen finished around the middle of the day's range at ¥250.50 against ¥200.00 having been as high as ¥200.70 at one point.

Sterling opened at \$1.8710-1.8720 and with selling of the dollar later in New York, the pound improved to \$1.8720-1.8730 before ending at \$1.8695-1.8705, a loss of 45 points. Using Bank of England figures, the pound's trade-weighted index was accounted for \$67m.

THE POUND SPOT				FORWARD AGAINST			
July 6	July 5	July 4	July 3	One month	Three months	Six months	One year
1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705

THE DOLLAR SPOT				FORWARD AGAINST			
July 6	July 5	July 4	July 3	One month	Three months	Six months	One year
0.6140-0.6150	0.6140-0.6150	0.6140-0.6150	0.6140-0.6150	0.6140-0.6150	0.6140-0.6150	0.6140-0.6150	0.6140-0.6150

CURRENCY RATES				CURRENCY MOVEMENT			
July 5	July 4	July 3	July 2	July 5	July 4	July 3	July 2
1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705

OTHER MARKETS			
July 5	July 4	July 3	July 2
1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705

EXCHANGE CROSS-RATES											
July 5	July 4	July 3	July 2	July 1	June 30	June 29	June 28	June 27	June 26	June 25	June 24
1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705

EURO-CURRENCY INTEREST RATES*											
July 5	July 4	July 3	July 2	July 1	June 30	June 29	June 28	June 27	June 26	June 25	June 24
1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705

INTERNATIONAL MONEY MARKET

New York rates firm

Interest rates were fairly steady in New York yesterday, although 13-week Treasury bills were slightly firmer than at Monday's auction at 7.07 per cent. Longer term bills showed similar movements, with 26-week bills at 7.47 per cent, compared with 7.47 per cent at the tender and 7.47 per cent against 7.73 per cent last Monday. Federal funds fell to 7 1/2 per cent from 8 1/2 per cent, three-month at 7 1/2 per cent, against 8 1/2 per cent, and six-month at 8 1/2 per cent against 9 1/2 per cent. This may have had an artificially depressing influence on the rate. PARIS—Money market rates were generally easier, although day-to-day funds were unchanged at 7 1/2 per cent. One-month money fell 1/2 per cent to 7 1/2 per cent, and three-month by 1/2 per cent to 8 1/2 per cent. Six-month rates declined by 1/2 per cent to 8 1/2 per cent, while 12-month money was unchanged at 9 1/2 per cent. FRANKFURT—Interbank money market rates were unchanged, with a from 3.5 per cent for call money to 3.95 per cent for six-month. AMSTERDAM—Call money eased to 4 1/4 per cent from 4 1/2 per cent, but longer periods were firmer, with one-month at 4 1/4 per cent, three-month at 4 1/2 per cent, against 4 1/2 per cent, and six-month at 5 1/2 per cent against 5 1/2 per cent. BRUSSELS—Deposit rates for call money rose 1/2 per cent to 5 1/2 per cent, with longer periods much firmer. One-month money rose to 5 1/2 per cent from 5 1/4 per cent, and three-month to 6 1/2 per cent from 6 1/4 per cent. Six-month funds increased to 6 1/2 per cent from 6 1/4 per cent, and 12-month to 7 1/4 per cent from 7 1/4 per cent. TOKYO—The money market was tight with call money rising 1/2 per cent to 5 1/2 per cent, and overnight increasing by a similar amount to 5 per cent. TOKYO—Excessive liquidity in the money market is unlikely to present any problems in the near future according to the Bank of Japan, even though intervention in the foreign exchange market to assist the dollar has tended to increase lately, with the build-up of speculative money into the yen. This comment from the central bank followed publication of money supply figures for May. Broadly defined money supply (M-2) fell to an average annual rate of 11.5 per cent, from 11.9 per cent in April. Cash in circulation plus demand deposits (M-1) showed an annual growth rate of 11.4 per cent, against 7.8 per cent in the previous month.

UK MONEY MARKET

Unforeseen shortage

Bank of England Minimum Lending Rate of 10 per cent (since June 8, 1978). Day-to-day money was in surplus in the London money market yesterday, but conditions were slightly patchy and the authorities finished up giving a small amount of help to the market, even though most discount houses something of a surprise to find that the Bank had been calling upon to give assistance. They lent a small amount to one or two houses overnight at Mini-

LONDON MONEY RATES											
July 5	July 4	July 3	July 2	July 1	June 30	June 29	June 28	June 27	June 26	June 25	June 24
1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705

GOLD

Quiet trading

Gold lost \$1 an ounce in quiet conditions to close at \$194.13. After opening at \$194.13, the metal improved slightly to \$194.40 at the morning fixing but eased slightly during the afternoon to fixed at \$194.20. Trading remained at low level after Tuesday's hold in the U.S. and yesterday's gold auction, also in the U.S. In Paris the 12 1/2 kilo bar was fixed at DM 26,600 per kilo (\$1 per ounce) in the afternoon compared with FFR 26,675 (\$186.4) in the morning and FFR 26,7 (\$187.23) on Tuesday afternoon in Frankfurt the 12 1/2 kilo bar was fixed at DM 12,153 per kilo (\$194.13 per ounce), again DM 12,200 (\$193.02) previously.

GOLD			
July 5	July 4	July 3	July 2
1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705

MONEY RATES			
July 5	July 4	July 3	July 2
1.8695-1.8705	1.8695-1.8705	1.8695-1.8705	1.8695-1.8705

All of these Bonds have been privately placed in Japan.
This announcement appears as a matter of record only.

New Issue

June 1978

¥10,000,000,000

REPUBLIC OF TRINIDAD AND TOBAGO

7.6% JAPANESE YEN BONDS OF 1978—SERIES A
DUE 1990

Private placement of these Bonds has been arranged by the undersigned

THE BANK OF TOKYO, LTD.

THE NOMURA SECURITIES CO., LTD.

LEGAL NOTICES

No. 002000 of 1978
In the HIGH COURT OF JUSTICE
Chancery Division Companies Court. In the Matter of RIGGELL LIMITED and in the Matter of The Companies Act, 1968.
NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 21st day of June 1978, presented to the said Court by THE CITY OF BRISTOLMISTRICT COUNCIL of the Council House, Bristol, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 21st day of July 1978, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the said Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.
SILAS P. PRITCHARD & CO.,
100, Kingsway.

London, W.C.2 (Ref: 148R)
Agents for:
FRANK E. WILSON
of Birmingham.
NOTICE—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to the undersigned, notice in writing of his intention so to do. The notice must state the name and address of the person, or firm, or his or their solicitor (if any), and must be signed by the person or firm, and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named court not later than four o'clock in the afternoon of the 20th day of July 1978.
IN THE MATTER OF THE COMPANIES ACT, 1968 AND IN THE MATTER OF THE COMPANIES ACT, 1968.
TUESDAY 20th JULY 1978.
SILAS P. PRITCHARD & CO.,
100, Kingsway.

Weekly net asset value
on June 30, 1978

Tokyo Pacific Holdings N.V.
U.S. \$59.41

Tokyo Pacific Holdings (Seaboard) N.V.
U.S. \$43.29

Listed on the Amsterdam Stock Exchange

Information: Person, Holding & Pierson N.V., Haringstraat 214, Amsterdam

VONTBEL EUROBOND INDICES

PRICE INDEX	27.4.78	4.7.78	AVERAGE YIELD	27.4.78	4.7.78
DM Bonds	104.25	104.28	DM Bonds	6.521	6.512
HFL Bonds & Notes	105.01	104.90	HFL Bonds & Notes	7.428	7.462
U.S. 5 Yr. Bonds	99.15	98.63	U.S. 5 Yr. Bonds	8.846	8.952
Can.-Dollar Bonds	100.02	99.83	Can.-Dollar Bonds	9.284	9.333

STOCK EXCHANGE REPORT

Equities lack incentive and follow long Gilts lower
GEC nervous awaiting results—Swan Hunter suspended

Account Dealing Dates

Opinion
First Declared Last Account
Dealings then Dealings Day
Jun. 26 July 6 July 7 July 18
July 10 July 20 July 21 Aug. 1
July 24 Aug. 3 Aug. 4 Aug. 15
* New time "dealings may take place
from 9.30 a.m. to 4.00 p.m. on the day."

An early recovery in leading
industries was thwarted yester-
day by a fresh fall in the
Gilts, which kept the
business at a low level and
investors remained preoccupied
with worries about possible union
confrontation with the Govern-
ment over future pay policy and
the uncertain UK economic
outlook.

The influence of the trend in
British funds on equity markets
was well illustrated yesterday
30-share index which, after begin-
ning the day 1.3 higher, was down
at each subsequent calculation,
being a maximum of 0.5 easier at
1.00 and finally a net 1.1 lower
at 452.0.

Gilt-edged securities went
easier from the outset with the
emphasis switching to the longer
maturities. Anxious about wage
inflation returned and in the first
hour of business induced some
free offerings of stock which
could only be absorbed at lower
levels. Thereafter, a near-standstill
and quotations came away from the lowest,
but still closed with falls extending
to 1.

Pressure on the shorts was
relieved in the absence of a con-
tinuation of Tuesday's liquidation
and marginal losses, which
had carried yields into the 12 per
cent area, were later transformed
into small gains, ending the day
generally uninspiring. Reflecting
the downturn at the longer
end of the market, the FT Govern-
ment Securities index fell 0.28
more to 69.02.

Of the day's individual features,
GEC met with falling shares, as
some holders nervous of the
company's profits today matching
analysts' projections, while Swan
Hunter was suspended during the
afternoon at 1.50p, pending the
final compensation terms; these
were announced well after the
market close.

Corporations moved in unison
with the longer funds and
recorded losses of 1 in some cases,
but recently-issued shares were
only half that amount easier.
Southern-Sea 12 per cent 1987
closing at 8, or a discount of 2
on the £10-paid stock.

Another extremely quiet day in
the investment currency market
was evidenced only by a single
sizeable buying order, which
easily met and had little impact
on the rate, which settled mar-
ginally higher at 112 1/2 per cent.
Yesterday's SE conversion factor
was 0.5577 (0.5551).

There was a marked contrac-

tion in the level of business in
Traded Options yesterday. Con-
tracts amounted to 292 compared
with 318 on Tuesday with much
of the activity centred on Grand
Metropolitan in which 88 deals
were completed. Rates were in-
clined eased with GEC October
reacting 5 to 2 1/2 and The July 260
6 to 8.

Hambros sold again

Overshadowed by fears about
the outcome of the Reckless loan
offerings, Hambros encoun-
tered further selling and reacted
5 more to 155p; the annual
results are due tomorrow. Else-
where in the Banking sector, lead-
ing issues continued to drift
lower. Barclays reacting 4 to 300p
and Lloyds 2 to 248p. Hongkong
and Shanghai, up 7 at 333p, pro-
vided a firm contrast in Overseas
issues.

Breweries were dull, while con-
tinuing nervousness ahead of next
Wednesday's figures took H.P.
Bulmer down 7 1/2 more to a 1978
low of 114 1/2.

Building descriptions were
hardly tested and ended with
few changes of note after a con-
tinuation of the previous day's
low level of trade. Further con-
sideration of the profits and di-
vide left G.H. Downing a couple
of pence better at 220p and
Browns and Jackson similarly to
a 1978 peak of 132p.

Marked higher at the outset to
387p, ICI retreated to the over-
night level of 383p in the absence
of buyers, while Fisons in similar
circumstances touched 337p
before closing a penny better on
balance at 333p.

Persistent demand lifted
Howard and Wyndham 3 to 301p.

Slight dullness in the Store
readers reflected lack of interest.

Cussons A. eased 2 more to
258p, while news of the deal with
Japan's largest retailer, Dai-
ichi, failed to stimulate Marks and
Spencer, a penny lower at 143p.

Posters, Brothers put
32p, after 51p, following the
forecast that the annual result
will not reach the previous year's
record. Court (Furnishings) "A"
encountered profit-taking and
gave up 4 to 107p, while Home
Textiles, a like amount down
at 164p. In contrast, buyers
showed occasional interest in
MFL 2 up at 99p, and Bamber's,
a similar amount dearer at 74p.

Among Foods, J. Lyons revived
with a rise of 3 to 81p following
investment comment, while
J. Sainsbury picked up a like
amount at 103p on the optimistic
tenor of the chairman's statement
at the annual meeting. Row-
natre Mackintosh remained a dull
market and lost 9 to 391p for a
two-day decline of 19 with

amount off at a 1978 low of 308p.
Decca also came on offer, the
ordinary losing 7 to 405p and the
"A" 10 to 200p. Of the few
firm spots, Wholesale Fringes
hardened 3 to 138p and Electro-
components 7 to 460p. Following
the upsurge of 100 in the past
week of trade under Rule 183 (2),
Ferranti yesterday requested the
suspension of dealings pending
the production of the company's
prospectus and the shares
admission to the Official List,
expected to be in September, the
share price today ended at 470p.
John Brown took a modest turn-
out for the better after recent profit-
taking and touched 384p before
drifting back to 380p and closing

sentiment still unsettled by the
poor results disclosed by George
Bassett which held at 120p after
the previous day's loss of 10p.
Interest in the miscellaneous
Industrial leaders remained at a
low ebb with prices fluctuating
narrowly before closing with small
mixed movements. Bechtel, 645p,
and GKN, 527p, both ended
2 dearer, but Boots remained on
offer and fell that amount to 138p.
While Pilkington drifted lower
again and closed 3 cheaper at
535p. The forecast of a substantial
recovery in pre-tax profits during
the current year prompted firm-
ness in Reckless, 3 dearer at 60p,
while Securix responded to the
chairman's encouraging statement

55p and, following the disappoint-
ing figures, John Waddington,
initially 4 higher at 204p,
retreated to the overnight level
of 200p. Despite the higher
profits, Routledge and Kegan Paul
shed 5 to 180p in a thin market.
Small buying lifted Bradshaw's
127p on the denial of takeover
rumours of a forthcoming strip-
out.

Following Tuesday's speculative
gain of 18, Guthrie improved
abreast to 355p in active trading,
before meeting profit-taking and
closing without alteration at 355p.
Small buying lifted Bradshaw's
127p on the denial of takeover
rumours of a forthcoming strip-
out.

Leading Properties were quiet
and largely untraded. Occasional
trade in secondary issues pro-
duced exaggerated movements.
Property and Reversionary A
cheapened 10 to 220p, but Chase
and Capital shares a like
amount to 61p, while Bernard
Sumey added 4 to 210p.

Busier Oils

Oils were busier than of late,
but British Petroleum succumbed
to modest American selling and
eased 4 to 320p, while Shell
managed only a marginal
improvement to 532p. Lamsco
eased a couple of pence to 128p
after a reasonable turnover and
modest persistent offerings
clipped a like amount from
amount from 58p, at 58p.
Sloanea (UK) traded quietly and
firmed 2 to 322p, but Oil Explora-
tion softened 4 to 214p in
response to a late seller, while
Century, recently firm on the
chairman's confident remarks,
shed 2 to 61p.

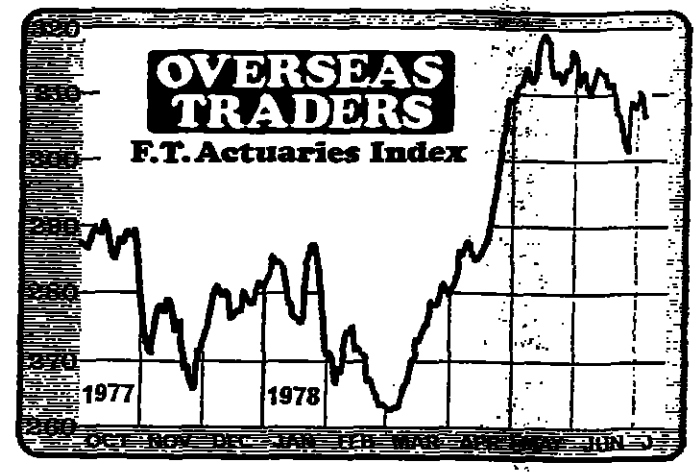
Reflecting the protracted
negotiations with the Jamaican
Government, Jamaica Sugar eased
2 to 12p. Lamsco eased 2 to 12p
and 1978 low of 39p, while losses of
around 10 were seen in Incheape,
405p, and Harrison and Crossfield,
48p.

New Throgmorton Capital 10
off at 12p, provided an isolated
deal feature in an otherwise firm
Investment Trust section. Le
Vallois hardened 2 to 33p, while
gains of 3 were seen in Anglo
American Securities, 101p, and
United States Steel, 121p.
Financials were noteworthy for a
reaction of 5 to 78p in Yule Catto
following the previous day's
speculative jump of 8.

Carpet International featured
textiles with a rise of 5 to a 1978
peak of 56p in a restricted market,
while Press comment helped
Kaysers Brewery to finish 3 harder
at 322p.

Currency considerations were
responsible for weakness in South
African shares. Anglo American In-
dustrial eased 15 to 375p and OK
Bazars 10 to 420p.

North Sea oil favourite Thom-
son featured an otherwise drab
Newspaper sector by rising 18 to
27p following persistent specu-
lative buying. Lack of incentives
to trade in either direction left
Daily Mail at 102p, 2 dearer
awaiting today's annual results.
The results and the chairman's
statement on future prospects
left Eucalyptus Pulp 15 lower at



unaltered on balance at 382p.
Little else worthy of mention
occurred in the Engineering
majority which moved without
much change. Elsewhere,
Brickhouse Dudley responded to
the good annual results with a
rise of 10 to 48p, while the
encouraging tenor of the full
report left 600 Group 2p dearer
at 53p. Howden Group also found
favour at 58p, up 2 1/2p, but T. &
Abrams remained on offer after
the results and reacted 2 more to
58p. Favourable Press mention
stimulated further interest in
Richard, up another 5 to 178p.
Occasional losses in Shipbuilders
included Hawthorn Leslie, 4 lower
at 64p, and Yarrow, 5 cheaper at
260p. Swan Hunter were
temporarily suspended at 128p;
details of nationalisation com-
pensation payments were announced
later.

Among Foods, J. Lyons revived
with a rise of 3 to 81p following
investment comment, while
J. Sainsbury picked up a like
amount at 103p on the optimistic
tenor of the chairman's statement
at the annual meeting. Row-
natre Mackintosh remained a dull
market and lost 9 to 391p for a
two-day decline of 19 with

amount off at a 1978 low of 308p.
Decca also came on offer, the
ordinary losing 7 to 405p and the
"A" 10 to 200p. Of the few
firm spots, Wholesale Fringes
hardened 3 to 138p and Electro-
components 7 to 460p. Following
the upsurge of 100 in the past
week of trade under Rule 183 (2),
Ferranti yesterday requested the
suspension of dealings pending
the production of the company's
prospectus and the shares
admission to the Official List,
expected to be in September, the
share price today ended at 470p.
John Brown took a modest turn-
out for the better after recent profit-
taking and touched 384p before
drifting back to 380p and closing

sentiment still unsettled by the
poor results disclosed by George
Bassett which held at 120p after
the previous day's loss of 10p.
Interest in the miscellaneous
Industrial leaders remained at a
low ebb with prices fluctuating
narrowly before closing with small
mixed movements. Bechtel, 645p,
and GKN, 527p, both ended
2 dearer, but Boots remained on
offer and fell that amount to 138p.
While Pilkington drifted lower
again and closed 3 cheaper at
535p. The forecast of a substantial
recovery in pre-tax profits during
the current year prompted firm-
ness in Reckless, 3 dearer at 60p,
while Securix responded to the
chairman's encouraging statement

55p and, following the disappoint-
ing figures, John Waddington,
initially 4 higher at 204p,
retreated to the overnight level
of 200p. Despite the higher
profits, Routledge and Kegan Paul
shed 5 to 180p in a thin market.
Small buying lifted Bradshaw's
127p on the denial of takeover
rumours of a forthcoming strip-
out.

Following Tuesday's speculative
gain of 18, Guthrie improved
abreast to 355p in active trading,
before meeting profit-taking and
closing without alteration at 355p.
Small buying lifted Bradshaw's
127p on the denial of takeover
rumours of a forthcoming strip-
out.

Leading Properties were quiet
and largely untraded. Occasional
trade in secondary issues pro-
duced exaggerated movements.
Property and Reversionary A
cheapened 10 to 220p, but Chase
and Capital shares a like
amount to 61p, while Bernard
Sumey added 4 to 210p.

Busier Oils

Oils were busier than of late,
but British Petroleum succumbed
to modest American selling and
eased 4 to 320p, while Shell
managed only a marginal
improvement to 532p. Lamsco
eased a couple of pence to 128p
after a reasonable turnover and
modest persistent offerings
clipped a like amount from
amount from 58p, at 58p.
Sloanea (UK) traded quietly and
firmed 2 to 322p, but Oil Explora-
tion softened 4 to 214p in
response to a late seller, while
Century, recently firm on the
chairman's confident remarks,
shed 2 to 61p.

Reflecting the protracted
negotiations with the Jamaican
Government, Jamaica Sugar eased
2 to 12p. Lamsco eased 2 to 12p
and 1978 low of 39p, while losses of
around 10 were seen in Incheape,
405p, and Harrison and Crossfield,
48p.

New Throgmorton Capital 10
off at 12p, provided an isolated
deal feature in an otherwise firm
Investment Trust section. Le
Vallois hardened 2 to 33p, while
gains of 3 were seen in Anglo
American Securities, 101p, and
United States Steel, 121p.
Financials were noteworthy for a
reaction of 5 to 78p in Yule Catto
following the previous day's
speculative jump of 8.

Carpet International featured
textiles with a rise of 5 to a 1978
peak of 56p in a restricted market,
while Press comment helped
Kaysers Brewery to finish 3 harder
at 322p.

Currency considerations were
responsible for weakness in South
African shares. Anglo American In-
dustrial eased 15 to 375p and OK
Bazars 10 to 420p.

North Sea oil favourite Thom-
son featured an otherwise drab
Newspaper sector by rising 18 to
27p following persistent specu-
lative buying. Lack of incentives
to trade in either direction left
Daily Mail at 102p, 2 dearer
awaiting today's annual results.
The results and the chairman's
statement on future prospects
left Eucalyptus Pulp 15 lower at

unaltered on balance at 382p.
Little else worthy of mention
occurred in the Engineering
majority which moved without
much change. Elsewhere,
Brickhouse Dudley responded to
the good annual results with a
rise of 10 to 48p, while the
encouraging tenor of the full
report left 600 Group 2p dearer
at 53p. Howden Group also found
favour at 58p, up 2 1/2p, but T. &
Abrams remained on offer after
the results and reacted 2 more to
58p. Favourable Press mention
stimulated further interest in
Richard, up another 5 to 178p.
Occasional losses in Shipbuilders
included Hawthorn Leslie, 4 lower
at 64p, and Yarrow, 5 cheaper at
260p. Swan Hunter were
temporarily suspended at 128p;
details of nationalisation com-
pensation payments were announced
later.

Among Foods, J. Lyons revived
with a rise of 3 to 81p following
investment comment, while
J. Sainsbury picked up a like
amount at 103p on the optimistic
tenor of the chairman's statement
at the annual meeting. Row-
natre Mackintosh remained a dull
market and lost 9 to 391p for a
two-day decline of 19 with

amount off at a 1978 low of 308p.
Decca also came on offer, the
ordinary losing 7 to 405p and the
"A" 10 to 200p. Of the few
firm spots, Wholesale Fringes
hardened 3 to 138p and Electro-
components 7 to 460p. Following
the upsurge of 100 in the past
week of trade under Rule 183 (2),
Ferranti yesterday requested the
suspension of dealings pending
the production of the company's
prospectus and the shares
admission to the Official List,
expected to be in September, the
share price today ended at 470p.
John Brown took a modest turn-
out for the better after recent profit-
taking and touched 384p before
drifting back to 380p and closing

sentiment still unsettled by the
poor results disclosed by George
Bassett which held at 120p after
the previous day's loss of 10p.
Interest in the miscellaneous
Industrial leaders remained at a
low ebb with prices fluctuating
narrowly before closing with small
mixed movements. Bechtel, 645p,
and GKN, 527p, both ended
2 dearer, but Boots remained on
offer and fell that amount to 138p.
While Pilkington drifted lower
again and closed 3 cheaper at
535p. The forecast of a substantial
recovery in pre-tax profits during
the current year prompted firm-
ness in Reckless, 3 dearer at 60p,
while Securix responded to the
chairman's encouraging statement

55p and, following the disappoint-
ing figures, John Waddington,
initially 4 higher at 204p,
retreated to the overnight level
of 200p. Despite the higher
profits, Routledge and Kegan Paul
shed 5 to 180p in a thin market.
Small buying lifted Bradshaw's
127p on the denial of takeover
rumours of a forthcoming strip-
out.

Following Tuesday's speculative
gain of 18, Guthrie improved
abreast to 355p in active trading,
before meeting profit-taking and
closing without alteration at 355p.
Small buying lifted Bradshaw's
127p on the denial of takeover
rumours of a forthcoming strip-
out.

Leading Properties were quiet
and largely untraded. Occasional
trade in secondary issues pro-
duced exaggerated movements.
Property and Reversionary A
cheapened 10 to 220p, but Chase
and Capital shares a like
amount to 61p, while Bernard
Sumey added 4 to 210p.

Busier Oils

Oils were busier than of late,
but British Petroleum succumbed
to modest American selling and
eased 4 to 320p, while Shell
managed only a marginal
improvement to 532p. Lamsco
eased a couple of pence to 128p
after a reasonable turnover and
modest persistent offerings
clipped a like amount from
amount from 58p, at 58p.
Sloanea (UK) traded quietly and
firmed 2 to 322p, but Oil Explora-
tion softened 4 to 214p in
response to a late seller, while
Century, recently firm on the
chairman's confident remarks,
shed 2 to 61p.

Reflecting the protracted
negotiations with the Jamaican
Government, Jamaica Sugar eased
2 to 12p. Lamsco eased 2 to 12p
and 1978 low of 39p, while losses of
around 10 were seen in Incheape,
405p, and Harrison and Crossfield,
48p.

New Throgmorton Capital 10
off at 12p, provided an isolated
deal feature in an otherwise firm
Investment Trust section. Le
Vallois hardened 2 to 33p, while
gains of 3 were seen in Anglo
American Securities, 101p, and
United States Steel, 121p.
Financials were noteworthy for a
reaction of 5 to 78p in Yule Catto
following the previous day's
speculative jump of 8.

Carpet International featured
textiles with a rise of 5 to a 1978
peak of 56p in a restricted market,
while Press comment helped
Kaysers Brewery to finish 3 harder
at 322p.

Currency considerations were
responsible for weakness in South
African shares. Anglo American In-
dustrial eased 15 to 375p and OK
Bazars 10 to 420p.

North Sea oil favourite Thom-
son featured an otherwise drab
Newspaper sector by rising 18 to
27p following persistent specu-
lative buying. Lack of incentives
to trade in either direction left
Daily Mail at 102p, 2 dearer
awaiting today's annual results.
The results and the chairman's
statement on future prospects
left Eucalyptus Pulp 15 lower at

unaltered on balance at 382p.
Little else worthy of mention
occurred in the Engineering
majority which moved without
much change. Elsewhere,
Brickhouse Dudley responded to
the good annual results with a
rise of 10 to 48p, while the
encouraging tenor of the full
report left 600 Group 2p dearer
at 53p. Howden Group also found
favour at 58p, up 2 1/2p, but T. &
Abrams remained on offer after
the results and reacted 2 more to
58p. Favourable Press mention
stimulated further interest in
Richard, up another 5 to 178p.
Occasional losses in Shipbuilders
included Hawthorn Leslie, 4 lower
at 64p, and Yarrow, 5 cheaper at
260p. Swan Hunter were
temporarily suspended at 128p;
details of nationalisation com-
pensation payments were announced
later.

Among Foods, J. Lyons revived
with a rise of 3 to 81p following
investment comment, while
J. Sainsbury picked up a like
amount at 103p on the optimistic
tenor of the chairman's statement
at the annual meeting. Row-
natre Mackintosh remained a dull
market and lost 9 to 391p for a
two-day decline of 19 with

amount off at a 1978 low of 308p.
Decca also came on offer, the
ordinary losing 7 to 405p and the
"A" 10 to 200p. Of the few
firm spots, Wholesale Fringes
hardened 3 to 138p and Electro-
components 7 to 460p. Following
the upsurge of 100 in the past
week of trade under Rule 183 (2),
Ferranti yesterday requested the
suspension of dealings pending
the production of the company's
prospectus and the shares
admission to the Official List,
expected to be in September, the
share price today ended at 470p.
John Brown took a modest turn-
out for the better after recent profit-
taking and touched 384p before
drifting back to 380p and closing

sentiment still unsettled by the
poor results disclosed by George
Bassett which held at 120p after
the previous day's loss of 10p.
Interest in the miscellaneous
Industrial leaders remained at a
low ebb with prices fluctuating
narrowly before closing with small
mixed movements. Bechtel, 645p,
and GKN, 527p, both ended
2 dearer, but Boots remained on
offer and fell that amount to 138p.
While Pilkington drifted lower
again and closed 3 cheaper at
535p. The forecast of a substantial
recovery in pre-tax profits during
the current year prompted firm-
ness in Reckless, 3 dearer at 60p,
while Securix responded to the
chairman's encouraging statement

55p and, following the disappoint-
ing figures, John Waddington,
initially 4 higher at 204p,
retreated to the overnight level
of 200p. Despite the higher
profits, Routledge and Kegan Paul
shed 5 to 180p in a thin market.
Small buying lifted Bradshaw's
127p on the denial of takeover
rumours of a forthcoming strip-
out.

Following Tuesday's speculative
gain of 18, Guthrie improved
abreast to 355p in active trading,
before meeting profit-taking and
closing without alteration at 355p.
Small buying lifted Bradshaw's
127p on the denial of takeover
rumours of a forthcoming strip-
out.

Leading Properties were quiet
and largely untraded. Occasional
trade in secondary issues pro-
duced exaggerated movements.
Property and Reversionary A
cheapened 10 to 220p, but Chase
and Capital shares a like
amount to 61p, while Bernard
Sumey added 4 to 210p.

Busier Oils

Oils were busier than of late,
but British Petroleum succumbed
to modest American selling and
eased 4 to 320p, while Shell
managed only a marginal
improvement to 532p. Lamsco
eased a couple of pence to 128p
after a reasonable turnover and
modest persistent offerings
clipped a like amount from
amount from 58p, at 58p.
Sloanea (UK) traded quietly and
firmed 2 to 322p, but Oil Explora-
tion softened 4 to 214p in
response to a late seller, while
Century, recently firm on the
chairman's confident remarks,
shed 2 to 61p.

Reflecting the protracted
negotiations with the Jamaican
Government, Jamaica Sugar eased
2 to 12p. Lamsco eased 2 to 12p
and 1978 low of 39p, while losses of
around 10 were seen in Incheape,
405p, and Harrison and Crossfield,
48p.

New Throgmorton Capital 10
off at 12p, provided an isolated
deal feature in an otherwise firm
Investment Trust section. Le
Vallois hardened 2 to 33p, while
gains of 3 were seen in Anglo
American Securities, 101p, and
United States Steel, 121p.
Financials were noteworthy for a
reaction of 5 to 78p in Yule Catto
following the previous day's
speculative jump of 8.

Carpet International featured
textiles with a rise of 5 to a 1978
peak of 56p in a restricted market,
while Press comment helped
Kaysers Brewery to finish 3 harder
at 322p.

Currency considerations were
responsible for weakness in South
African shares. Anglo American In-
dustrial eased 15 to 375p and OK
Bazars 10 to 420p.

North Sea oil favourite Thom-
son featured an otherwise drab
Newspaper sector by rising 18 to
27p following persistent specu-
lative buying. Lack of incentives
to trade in either direction left
Daily Mail at 102p, 2 dearer
awaiting today's annual results.
The results and the chairman's
statement on future prospects
left Eucalyptus Pulp 15 lower at

unaltered on balance at 382p.
Little else worthy of mention
occurred in the Engineering
majority which moved without
much change. Elsewhere,
Brickhouse Dudley responded to
the good annual results with a
rise of 10 to 48p, while the
encouraging tenor of the full
report left 600 Group 2p dearer
at 53p. Howden Group also found
favour at 58p, up 2 1/2p, but T. &
Abrams remained on offer after
the results and reacted 2 more to
58p. Favourable Press mention
stimulated further interest in
Richard, up another 5 to 178p.
Occasional losses in Shipbuilders
included Hawthorn Leslie, 4 lower
at 64p, and Yarrow, 5 cheaper at
260p. Swan Hunter were
temporarily suspended at 128p;
details of nationalisation com-
pensation payments were announced
later.

Among Foods, J. Lyons revived
with a rise of 3 to 81p following
investment comment, while
J. Sainsbury picked up a like
amount at 103p on the optimistic
tenor of the chairman's statement
at the annual meeting. Row-
natre Mackintosh remained a dull
market and lost 9 to 391p for a
two-day decline of 19 with

amount off at a 1978 low of 308p.
Decca also came on offer, the
ordinary losing 7 to 405p and the
"A" 10 to 200p. Of the few
firm spots, Wholesale Fringes
hardened 3 to 138p and Electro-
components 7 to 460p. Following
the upsurge of 100 in the past
week of trade under Rule 183 (2),
Ferranti yesterday requested the
suspension of dealings pending
the production of the company's
prospectus and the shares
admission to the Official List,
expected to be in September, the
share price today ended at 470p.
John Brown took a modest turn-
out for the better after recent profit-
taking and touched 384p before
drifting back to 380p and closing

sentiment still unsettled by the
poor results disclosed by George
Bassett which held at 120p after
the previous day's loss of 10p.
Interest in the miscellaneous
Industrial leaders remained at a
low ebb with prices fluctuating
narrowly before closing with small
mixed movements. Bechtel, 645p,
and GKN, 527p, both ended
2 dearer, but Boots remained on
offer and fell that amount to 138p.
While Pilkington drifted lower
again and closed 3 cheaper at
535p. The forecast of a substantial
recovery in pre-tax profits during
the current year prompted firm-
ness in Reckless, 3 dearer at 60p,
while Securix responded to the
chairman's encouraging statement

55p and, following the disappoint-
ing figures, John Waddington,
initially 4 higher at 204p,
retreated to the overnight level
of 200p. Despite the higher
profits, Routledge and Kegan Paul
shed 5 to 180p in a thin market.
Small buying lifted Bradshaw's
127p on the denial of takeover
rumours of a forthcoming strip-
out.

Following Tuesday's speculative
gain of 18, Guthrie improved
abreast to 355p in active trading,
before meeting profit-taking and
closing without alteration at 355p.
Small buying lifted Bradshaw's
127p on the denial of takeover
rumours of a forthcoming strip-
out.

Leading Properties were quiet
and largely untraded. Occasional
trade in secondary issues pro-
duced exaggerated movements.
Property and Reversionary A
cheapened 10 to 220p, but Chase
and Capital shares a like
amount to 61p, while Bernard
Sumey added 4 to 210p.

Busier

OFFSHORE AND

Arbuthnot Securities (C.I.) Limited
P.O. Box 25, St. Helier, Jersey. 0534 7272
Next dealing July 18. 12.00 4.37
East Atlantic Ltd. 12.00 3.00
Next sub July 8.

Australian Selection Fund NV
P.O. Box 10, St. Helier, Jersey. 0534 7272
17, Kent St., Sydney
US81 Shares. Next Value June 30.

Bank of America International Inc.
35 Boulevard Royal, Luxembourg. D.L.
Widest income. 10.00 18.00 1.70
Prices at 30 St. Next sub July 5.

Bank of London & S. America Ltd.
40-48, Queen Victoria St., London. 01-630 2213
Next sub July 5.
Alphabetical value June 30.

Banque Bruxelles Lambert
2 Rue de la Reine 8 1000 Brussels
Renta Publica. 1.00 5.00 -2.75

Barclays Unicorn Int. (Ch. Is.) Ltd.
1, Charing Cross, St. Helier, Jersey. 0534 7274
Overseas Income. 140.0 59.0 11.25
Growth Income. 100.0 40.0 4.20
Global Trust. 100.0 40.0 4.20
Subject to 100.0 40.0 4.20

Barclays Unicorn Int. (U.S. M.) Ltd.
1 Thomas St., Douglas, I.O.M. 0024 4050
US Govt. Acct. 100.0 50.0 1.50
US Govt. Bond. 100.0 50.0 1.50
US Govt. Corp. 100.0 50.0 1.50
US Govt. Int. 100.0 50.0 1.50
US Govt. Mkt. 100.0 50.0 1.50
US Govt. Nt. 100.0 50.0 1.50
US Govt. Pnt. 100.0 50.0 1.50
US Govt. S. 100.0 50.0 1.50
US Govt. T. 100.0 50.0 1.50
US Govt. V. 100.0 50.0 1.50
US Govt. W. 100.0 50.0 1.50
US Govt. X. 100.0 50.0 1.50
US Govt. Y. 100.0 50.0 1.50
US Govt. Z. 100.0 50.0 1.50
US Govt. AA. 100.0 50.0 1.50
US Govt. AB. 100.0 50.0 1.50
US Govt. AC. 100.0 50.0 1.50
US Govt. AD. 100.0 50.0 1.50
US Govt. AE. 100.0 50.0 1.50
US Govt. AF. 100.0 50.0 1.50
US Govt. AG. 100.0 50.0 1.50
US Govt. AH. 100.0 50.0 1.50
US Govt. AI. 100.0 50.0 1.50
US Govt. AJ. 100.0 50.0 1.50
US Govt. AK. 100.0 50.0 1.50
US Govt. AL. 100.0 50.0 1.50
US Govt. AM. 100.0 50.0 1.50
US Govt. AN. 100.0 50.0 1.50
US Govt. AO. 100.0 50.0 1.50
US Govt. AP. 100.0 50.0 1.50
US Govt. AQ. 100.0 50.0 1.50
US Govt. AR. 100.0 50.0 1.50
US Govt. AS. 100.0 50.0 1.50
US Govt. AT. 100.0 50.0 1.50
US Govt. AU. 100.0 50.0 1.50
US Govt. AV. 100.0 50.0 1.50
US Govt. AW. 100.0 50.0 1.50
US Govt. AX. 100.0 50.0 1.50
US Govt. AY. 100.0 50.0 1.50
US Govt. AZ. 100.0 50.0 1.50
US Govt. BA. 100.0 50.0 1.50
US Govt. BB. 100.0 50.0 1.50
US Govt. BC. 100.0 50.0 1.50
US Govt. BD. 100.0 50.0 1.50
US Govt. BE. 100.0 50.0 1.50
US Govt. BF. 100.0 50.0 1.50
US Govt. BG. 100.0 50.0 1.50
US Govt. BH. 100.0 50.0 1.50
US Govt. BI. 100.0 50.0 1.50
US Govt. BJ. 100.0 50.0 1.50
US Govt. BK. 100.0 50.0 1.50
US Govt. BL. 100.0 50.0 1.50
US Govt. BM. 100.0 50.0 1.50
US Govt. BN. 100.0 50.0 1.50
US Govt. BO. 100.0 50.0 1.50
US Govt. BP. 100.0 50.0 1.50
US Govt. BQ. 100.0 50.0 1.50
US Govt. BR. 100.0 50.0 1.50
US Govt. BS. 100.0 50.0 1.50
US Govt. BT. 100.0 50.0 1.50
US Govt. BU. 100.0 50.0 1.50
US Govt. BV. 100.0 50.0 1.50
US Govt. BW. 100.0 50.0 1.50
US Govt. BX. 100.0 50.0 1.50
US Govt. BY. 100.0 50.0 1.50
US Govt. BZ. 100.0 50.0 1.50
US Govt. CA. 100.0 50.0 1.50
US Govt. CB. 100.0 50.0 1.50
US Govt. CC. 100.0 50.0 1.50
US Govt. CD. 100.0 50.0 1.50
US Govt. CE. 100.0 50.0 1.50
US Govt. CF. 100.0 50.0 1.50
US Govt. CG. 100.0 50.0 1.50
US Govt. CH. 100.0 50.0 1.50
US Govt. CI. 100.0 50.0 1.50
US Govt. CJ. 100.0 50.0 1.50
US Govt. CK. 100.0 50.0 1.50
US Govt. CL. 100.0 50.0 1.50
US Govt. CM. 100.0 50.0 1.50
US Govt. CN. 100.0 50.0 1.50
US Govt. CO. 100.0 50.0 1.50
US Govt. CP. 100.0 50.0 1.50
US Govt. CQ. 100.0 50.0 1.50
US Govt. CR. 100.0 50.0 1.50
US Govt. CS. 100.0 50.0 1.50
US Govt. CT. 100.0 50.0 1.50
US Govt. CU. 100.0 50.0 1.50
US Govt. CV. 100.0 50.0 1.50
US Govt. CW. 100.0 50.0 1.50
US Govt. CX. 100.0 50.0 1.50
US Govt. CY. 100.0 50.0 1.50
US Govt. CZ. 100.0 50.0 1.50
US Govt. DA. 100.0 50.0 1.50
US Govt. DB. 100.0 50.0 1.50
US Govt. DC. 100.0 50.0 1.50
US Govt. DD. 100.0 50.0 1.50
US Govt. DE. 100.0 50.0 1.50
US Govt. DF. 100.0 50.0 1.50
US Govt. DG. 100.0 50.0 1.50
US Govt. DH. 100.0 50.0 1.50
US Govt. DI. 100.0 50.0 1.50
US Govt. DJ. 100.0 50.0 1.50
US Govt. DK. 100.0 50.0 1.50
US Govt. DL. 100.0 50.0 1.50
US Govt. DM. 100.0 50.0 1.50
US Govt. DN. 100.0 50.0 1.50
US Govt. DO. 100.0 50.0 1.50
US Govt. DP. 100.0 50.0 1.50
US Govt. DQ. 100.0 50.0 1.50
US Govt. DR. 100.0 50.0 1.50
US Govt. DS. 100.0 50.0 1.50
US Govt. DT. 100.0 50.0 1.50
US Govt. DU. 100.0 50.0 1.50
US Govt. DV. 100.0 50.0 1.50
US Govt. DW. 100.0 50.0 1.50
US Govt. DX. 100.0 50.0 1.50
US Govt. DY. 100.0 50.0 1.50
US Govt. DZ. 100.0 50.0 1.50
US Govt. EA. 100.0 50.0 1.50
US Govt. EB. 100.0 50.0 1.50
US Govt. EC. 100.0 50.0 1.50
US Govt. ED. 100.0 50.0 1.50
US Govt. EE. 100.0 50.0 1.50
US Govt. EF. 100.0 50.0 1.50
US Govt. EG. 100.0 50.0 1.50
US Govt. EH. 100.0 50.0 1.50
US Govt. EI. 100.0 50.0 1.50
US Govt. EJ. 100.0 50.0 1.50
US Govt. EK. 100.0 50.0 1.50
US Govt. EL. 100.0 50.0 1.50
US Govt. EM. 100.0 50.0 1.50
US Govt. EN. 100.0 50.0 1.50
US Govt. EO. 100.0 50.0 1.50
US Govt. EP. 100.0 50.0 1.50
US Govt. EQ. 100.0 50.0 1.50
US Govt. ER. 100.0 50.0 1.50
US Govt. ES. 100.0 50.0 1.50
US Govt. ET. 100.0 50.0 1.50
US Govt. EU. 100.0 50.0 1.50
US Govt. EV. 100.0 50.0 1.50
US Govt. EW. 100.0 50.0 1.50
US Govt. EX. 100.0 50.0 1.50
US Govt. EY. 100.0 50.0 1.50
US Govt. EZ. 100.0 50.0 1.50
US Govt. FA. 100.0 50.0 1.50
US Govt. FB. 100.0 50.0 1.50
US Govt. FC. 100.0 50.0 1.50
US Govt. FD. 100.0 50.0 1.50
US Govt. FE. 100.0 50.0 1.5

Address shown under Insurance and Property Bond Table.

Manchester Business School
Management Course
...probably the
finest short course
in the world
but we're working on it
Apply now for the October 78 Course to: School of Management
100, South Street, Manchester M2 6AP. Tel: 061-275 2221

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

1978	High	Low	Stock	Price	% Chg	Div. Yr	Yield
"Shorts" (Lives up to Five Years)							
100	100	100	British 100	100	0	0	0
101	101	101	British 101	101	0	0	0
102	102	102	British 102	102	0	0	0
103	103	103	British 103	103	0	0	0
104	104	104	British 104	104	0	0	0
105	105	105	British 105	105	0	0	0
106	106	106	British 106	106	0	0	0
107	107	107	British 107	107	0	0	0
108	108	108	British 108	108	0	0	0
109	109	109	British 109	109	0	0	0
110	110	110	British 110	110	0	0	0
111	111	111	British 111	111	0	0	0
112	112	112	British 112	112	0	0	0
113	113	113	British 113	113	0	0	0
114	114	114	British 114	114	0	0	0
115	115	115	British 115	115	0	0	0
116	116	116	British 116	116	0	0	0
117	117	117	British 117	117	0	0	0
118	118	118	British 118	118	0	0	0
119	119	119	British 119	119	0	0	0
120	120	120	British 120	120	0	0	0
121	121	121	British 121	121	0	0	0
122	122	122	British 122	122	0	0	0
123	123	123	British 123	123	0	0	0
124	124	124	British 124	124	0	0	0
125	125	125	British 125	125	0	0	0
126	126	126	British 126	126	0	0	0
127	127	127	British 127	127	0	0	0
128	128	128	British 128	128	0	0	0
129	129	129	British 129	129	0	0	0
130	130	130	British 130	130	0	0	0
131	131	131	British 131	131	0	0	0
132	132	132	British 132	132	0	0	0
133	133	133	British 133	133	0	0	0
134	134	134	British 134	134	0	0	0
135	135	135	British 135	135	0	0	0
136	136	136	British 136	136	0	0	0
137	137	137	British 137	137	0	0	0
138	138	138	British 138	138	0	0	0
139	139	139	British 139	139	0	0	0
140	140	140	British 140	140	0	0	0
141	141	141	British 141	141	0	0	0
142	142	142	British 142	142	0	0	0
143	143	143	British 143	143	0	0	0
144	144	144	British 144	144	0	0	0
145	145	145	British 145	145	0	0	0
146	146	146	British 146	146	0	0	0
147	147	147	British 147	147	0	0	0
148	148	148	British 148	148	0	0	0
149	149	149	British 149	149	0	0	0
150	150	150	British 150	150	0	0	0
151	151	151	British 151	151	0	0	0
152	152	152	British 152	152	0	0	0
153	153	153	British 153	153	0	0	0
154	154	154	British 154	154	0	0	0
155	155	155	British 155	155	0	0	0
156	156	156	British 156	156	0	0	0
157	157	157	British 157	157	0	0	0
158	158	158	British 158	158	0	0	0
159	159	159	British 159	159	0	0	0
160	160	160	British 160	160	0	0	0
161	161	161	British 161	161	0	0	0
162	162	162	British 162	162	0	0	0
163	163	163	British 163	163	0	0	0
164	164	164	British 164	164	0	0	0
165	165	165	British 165	165	0	0	0
166	166	166	British 166	166	0	0	0
167	167	167	British 167	167	0	0	0
168	168	168	British 168	168	0	0	0
169	169	169	British 169	169	0	0	0
170	170	170	British 170	170	0	0	0
171	171	171	British 171	171	0	0	0
172	172	172	British 172	172	0	0	0
173	173	173	British 173	173	0	0	0
174	174	174	British 174	174	0	0	0
175	175	175	British 175	175	0	0	0
176	176	176	British 176	176	0	0	0
177	177	177	British 177	177	0	0	0
178	178	178	British 178	178	0	0	0
179	179	179	British 179	179	0	0	0
180	180	180	British 180	180	0	0	0
181	181	181	British 181	181	0	0	0
182	182	182	British 182	182	0	0	0
183	183	183	British 183	183	0	0	0
184	184	184	British 184	184	0	0	0
185	185	185	British 185	185	0	0	0
186	186	186	British 186	186	0	0	0
187	187	187	British 187	187	0	0	0
188	188	188	British 188	188	0	0	0
189	189	189	British 189	189	0	0	0
190	190	190	British 190	190	0	0	0
191	191	191	British 191	191	0	0	0
192	192	192	British 192	192	0	0	0
193	193	193	British 193	193	0	0	0
194	194	194	British 194	194	0	0	0
195	195	195	British 195	195	0	0	0
196	196	196	British 196	196	0	0	0
197	197	197	British 197	197	0	0	0
198	198	198	British 198	198	0	0	0
199	199	199	British 199	199	0	0	0
200	200	200	British 200	200	0	0	0
201	201	201	British 201	201	0	0	0
202	202	202	British 202	202	0	0	0
203	203	203	British 203	203	0	0	0
204	204	204	British 204	204	0	0	0
205	205	205	British 205	205	0	0	0
206	206	206	British 206	206	0	0	0
207	207	207	British 207	207	0	0	0
208	208	208	British 208	208	0	0	0
209	209	209	British 209	209	0	0	0
210	210	210	British 210	210	0	0	0
211	211	211	British 211	211	0	0	0
212	212	212	British 212	212	0	0	0
213	213	213	British 213	213	0	0	0
214	214	214	British 214	214	0	0	0
215	215	215	British 215	215	0	0	0
216	216	216	British 216	216	0	0	0
217	217	217	British 217	217	0	0	0
218	218	218	British 218	218	0	0	0
219	219	219	British 219	219	0	0	0
220	220	220	British 220	220	0	0	0
221	221	221	British 221	221	0	0	0
222	222	222	British 222	222	0	0	0
223	223	223	British 223	223	0	0	0
224	224	224	British 224	224	0	0	0
225	225	225	British 225	225	0	0	0
226	226	226	British 226	226	0	0	0
227	227	227	British 227	227	0	0	0
228	228	228	British 228	228	0	0	0
229	229	229	British 229	229	0	0	0
230	230	230	British 230	230	0	0	0
231	231	231	British 231	231	0	0	0
232	232	232	British 232	232	0	0	0
233	233	233	British 233	233	0	0	0
234	234	234	British 234	234	0	0	0
235	235	235	British 235	235	0	0	0
236	236	236	British 236	236	0	0	0
237	237	237	British 237	237	0	0	0
238	238	238	British 238	238	0	0	0
239	239	239	British 239	239	0	0	0
240	240	240	British 240	240	0	0	0
241	241	241	British 241	241	0	0	0
242	242	242	British 242	242	0	0	0
243	243	243	British 243	243	0	0	0
244	244	244	British 244	244	0	0	0
245	245	245	British 245	245	0	0	0
246	246	246	British 246	246	0	0	0
247	247	247	British 247	247	0	0	0
248	248	248	British 248	248	0	0	0
249	249	249	British 249	249	0	0	0
250	250	250	British 250	250	0	0	0
251	251	251	British 251	251	0	0	0
252	252	252	British 252	252	0	0	0
253	253	253	British 253	253	0	0	0
254	254	254	British 254	254	0	0	0
255	255	255	British 255	255	0	0	0
256	256	256	British 256	256	0	0	0
257	257	257	British 257	257	0	0	0
258	258	258	British 258	258	0	0	0
259	259	259	British 259	259	0	0	0
260	260	260	British 260	260	0	0	0
261	261	261	British 261	261	0	0	0
262	262	262	British 262	262	0	0	0
263	263	263	British 263	263	0	0	0
264	264	264	British 264	264	0	0	0
265	265	265	British 265	265	0	0	0
266	266	266	British 266	266	0	0	0
267	267	267	British 267	267	0	0	0
268	268	268	British 268	268	0	0	0
269	269	269	British 269	269	0	0	0
270	270	270	British 270	270	0	0	0
271	271	271	British 271	271	0	0	0
272	272	272	British 272	272	0	0	0
273	273	273	British 273	273	0	0	0
274	274	274	British 274	274	0	0	0
275	275	275	British 275	275	0	0	0
276	276	276	British 276	276	0	0	0
277	277	277	British 277	277	0	0	0
278	278	278	British 278	278	0	0	0
279	279	279	British 279	279	0	0	0
280	280	280	British 280	280	0	0	0
281	281	281	British 281	281	0	0	0
282	282	282	British 282	282	0	0	0
283	283	283	British 283	283	0	0	0
284	284	284	British 284	284	0	0	0
285	285	285	British 285	285	0	0	0
286	286	286	British 286	286	0	0	0

INDUSTRIALS—Continued

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Petroleum	157.50	1.25	0.80	120	158.00	157.00	157.50	157.50
Shell	120.00	1.00	0.83	100	121.00	119.00	120.00	120.00
Esso	110.00	0.90	0.82	80	111.00	109.00	110.00	110.00
British Airways	100.00	0.80	0.80	60	101.00	99.00	100.00	100.00
British Telecom	90.00	0.70	0.78	50	91.00	89.00	90.00	90.00
British Overseas Airways	80.00	0.60	0.75	40	81.00	79.00	80.00	80.00
British Airways	70.00	0.50	0.71	30	71.00	69.00	70.00	70.00
British Airways	60.00	0.40	0.67	20	61.00	59.00	60.00	60.00
British Airways	50.00	0.30	0.60	10	51.00	49.00	50.00	50.00
British Airways	40.00	0.20	0.50	5	41.00	39.00	40.00	40.00

INSURANCE

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Insurance	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Insurance	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Insurance	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Insurance	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Insurance	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00
British Insurance	100.00	0.70	0.70	20	101.00	99.00	100.00	100.00
British Insurance	90.00	0.60	0.67	10	91.00	89.00	90.00	90.00
British Insurance	80.00	0.50	0.63	5	81.00	79.00	80.00	80.00
British Insurance	70.00	0.40	0.57	2	71.00	69.00	70.00	70.00
British Insurance	60.00	0.30	0.50	1	61.00	59.00	60.00	60.00

PROPERTY—Continued

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Property	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Property	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Property	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Property	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Property	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00
British Property	100.00	0.70	0.70	20	101.00	99.00	100.00	100.00
British Property	90.00	0.60	0.67	10	91.00	89.00	90.00	90.00
British Property	80.00	0.50	0.63	5	81.00	79.00	80.00	80.00
British Property	70.00	0.40	0.57	2	71.00	69.00	70.00	70.00
British Property	60.00	0.30	0.50	1	61.00	59.00	60.00	60.00

INV. TRUSTS—Continued

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Investment Trust	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Investment Trust	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Investment Trust	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Investment Trust	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Investment Trust	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00
British Investment Trust	100.00	0.70	0.70	20	101.00	99.00	100.00	100.00
British Investment Trust	90.00	0.60	0.67	10	91.00	89.00	90.00	90.00
British Investment Trust	80.00	0.50	0.63	5	81.00	79.00	80.00	80.00
British Investment Trust	70.00	0.40	0.57	2	71.00	69.00	70.00	70.00
British Investment Trust	60.00	0.30	0.50	1	61.00	59.00	60.00	60.00

FINANCE, LAND—Continued

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Finance	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Finance	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Finance	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Finance	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Finance	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00
British Finance	100.00	0.70	0.70	20	101.00	99.00	100.00	100.00
British Finance	90.00	0.60	0.67	10	91.00	89.00	90.00	90.00
British Finance	80.00	0.50	0.63	5	81.00	79.00	80.00	80.00
British Finance	70.00	0.40	0.57	2	71.00	69.00	70.00	70.00
British Finance	60.00	0.30	0.50	1	61.00	59.00	60.00	60.00



NEW JAPAN SECURITIES
Tokyo, Japan
New Japan Securities Europe Limited
25 Abchurch Lane, London EC4N 3DF
Tel: 01-480 1234

MINES—Continued

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Mines	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Mines	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Mines	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Mines	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Mines	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00

OILS

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Oils	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Oils	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Oils	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Oils	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Oils	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00

AUSTRALIAN

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Australia	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Australia	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Australia	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Australia	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Australia	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00

TINS

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Tins	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Tins	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Tins	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Tins	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Tins	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00

COPPER

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Copper	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Copper	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Copper	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Copper	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Copper	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00

MISCELLANEOUS

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Misc	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Misc	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Misc	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Misc	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Misc	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00

NOTES

Notes are issued by the Bank of England and are payable on demand. They are issued in denominations of £5, £10, £20, £50, £100, £500, and £1,000. They are issued in both paper and polymer form. The Bank of England is responsible for the issue and management of the currency.

TEAS

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Teas	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Teas	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Teas	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Teas	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Teas	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00

India and Bangladesh

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British India	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British India	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British India	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British India	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British India	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00

Sri Lanka

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Sri Lanka	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Sri Lanka	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Sri Lanka	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Sri Lanka	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Sri Lanka	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00

Africa

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Africa	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Africa	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Africa	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Africa	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Africa	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00

MINES

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Mines	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Mines	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Mines	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Mines	120.00	0.90	0.75	60	121.00	119.00	120.00	120.00
British Mines	110.00	0.80	0.73	40	111.00	109.00	110.00	110.00

CENTRAL RAND

Stock	Price	Div	Yield	Vol	High	Low	Open	Close
British Central Rand	150.00	1.20	0.80	120	151.00	149.00	150.00	150.00
British Central Rand	140.00	1.10	0.79	100	141.00	139.00	140.00	140.00
British Central Rand	130.00	1.00	0.77	80	131.00	129.00	130.00	130.00
British Central Rand	120.00	0.90	0.75	60	1			

THE £1,000 MILLION INVESTMENT EXPERIENCE

Canlife units

EXPERIENCE - WHERE EXPERIENCE COUNTS

Canlife Unit Trust Investment Limited, 100, High Street, London E14 4JF. Tel: 01-242 8147

Thursday July 6 1978

Skipton Society

stronghold for savings

Head Office: High Street, Skipton, Wetherby, West Yorkshire LS23 7BQ. Tel: 01937 54311

London Office: 21, High Street, London EC4A 3DF. Tel: 01-242 8147

Chrysler strikers reject plea to return

By Arthur Smith, Midlands Correspondent

THE STRIKE by Chrysler toolmakers, which has halted all car assembly in the Midlands, will continue. Toolmakers' leaders yesterday rejected management and union appeals for a return to work after eight hours of talks in Coventry.

The problem of Chrysler's troubled pay structure has been passed to the Government. Mr. Terry Duffy, president-elect of the Amalgamated Union of Engineering Workers, who led the union side, said a joint approach with management would be made to the Government to see whether a way could be found within the present 10 per cent pay guidelines to meet the toolmakers' demands for improved differentials.

They had a valid claim, had pursued it in the correct manner and had the sympathy of the company.

The issue had to be taken to the Government because Chrysler, to justify periodic cash injections from the State, first had to ensure it complied with pay policy. "I have said many times that we need some elasticity," Mr. Duffy added.

He hoped a meeting could be arranged within a couple of days with Mr. Eric Varley, Industry Secretary, and Mr. Albert Booth, Employment Secretary.

The toolmakers' leaders would then report to the 350 men who walked out last Friday.

Their action has halted production of the Alpine and caused 1,400 layoffs at the Ryton assembly plant. Production has been disrupted at the Stoke engine factory, where 600 have been made idle.

Output has been at a standstill at Linwood, Scotland, for a week, where a strike by 5,500 painters has forced 5,000 colleagues to be laid off.

These developments pose a clear threat to ambitious plans for expansion, submitted to Mr. Varley in the last few days. A draft planning agreement, endorsed by unions and management, forecasts increased investment and more jobs.

Mr. Varley is thought to have expressed Government concern to the union leadership about the deteriorating position at Chrysler.

The company's pay structure, like that of other large corporations, has been distorted by Government controls. But the problems are by no means confined to toolmakers.

Should concessions be made to the 350 men on strike, Chrysler must face the risk of a flood of claims from other groups.

Weather

UK TODAY

CLOUDY with showers. London, S.E., Central S, Central N, England, Midlands, Channel Islands

Cloudy, sunny periods. Max. 18C (64F).

E. Anglia, E. N.E. England, Borders, Edinburgh, Central, N.E. Scotland

Cloudy, showers, bright intervals. Max. 14C (57F).

S.W. England, S. Wales

Fine, becoming cloudy, perhaps rain. Max. 17C (63F).

N. Wales, N. Ireland

Cloudy, perhaps rain. Max. 16C (61F).

N.W. England, Lakes, Isle of Man

Cloudy, sunny periods, showers. Max. 16C (61F).

W. Scotland, Central Highlands

Sunny periods, showers. Max. 16C (61F).

Outlook: Cloud and rain spreading from W.

BUSINESS CENTRES			
	Yesterday	Today	Tomorrow
Amerind.	10	10	10
Amster.	10	10	10
Barbados	10	10	10
Bombay	10	10	10
Buenos Aires	10	10	10
Calcutta	10	10	10
Cardiff	10	10	10
Chennai	10	10	10
Colombo	10	10	10
Copenhagen	10	10	10
Dublin	10	10	10
Edinburgh	10	10	10
Frankfurt	10	10	10
Glasgow	10	10	10
Helsinki	10	10	10
London	10	10	10
Luxembourg	10	10	10
Madrid	10	10	10
Moscow	10	10	10
New York	10	10	10
Paris	10	10	10
Rome	10	10	10
Stockholm	10	10	10
Switzerland	10	10	10
Tokyo	10	10	10
Vienna	10	10	10
Warsaw	10	10	10
Zurich	10	10	10

HOLIDAY RESORTS			
	Yesterday	Today	Tomorrow
Algarve	10	10	10
Amsterdam	10	10	10
Barcelona	10	10	10
Bombay	10	10	10
Buenos Aires	10	10	10
Calcutta	10	10	10
Cardiff	10	10	10
Chennai	10	10	10
Colombo	10	10	10
Copenhagen	10	10	10
Dublin	10	10	10
Edinburgh	10	10	10
Frankfurt	10	10	10
Glasgow	10	10	10
Helsinki	10	10	10
London	10	10	10
Luxembourg	10	10	10
Madrid	10	10	10
Moscow	10	10	10
New York	10	10	10
Paris	10	10	10
Rome	10	10	10
Stockholm	10	10	10
Switzerland	10	10	10
Tokyo	10	10	10
Vienna	10	10	10
Warsaw	10	10	10
Zurich	10	10	10

Government proposes simpler Price Code

By Elinor Goodman, Consumer Affairs Correspondent

THE LAST vestige of the Price Code first introduced in 1973 will disappear at the end of this month. The Government published proposals yesterday for replacing what is left of the old code with a much simpler order to guide the new Price Commission set up last summer.

The changes, which should dispel any lingering doubts that the Government might try to extend a profit margin control for a further period, will complete the transition begun last summer from the rigid controls of the old code to the more flexible system of investigations into prices embodied in last year's Price Commission Act.

At the same time, the Government proposes to reduce the quantity of information companies will have to give the Price Commission when seeking increases. Information required will be geared to the additional revenue expected from the proposed increases.

Only companies proposing price increases that would yield more than 11m will have to give as much information to the commission as they do at present.

The size of company exempted from the pre-notification requirements is also being raised again. Under the proposals published yesterday, the threshold on manufacturing companies would be raised from £12m to £15m and that for service businesses from £5m to £12m.

Margin controls

The only point left unanswered by yesterday's consultative document was the profit safeguards written into the controls, which the Government has been under pressure to tighten.

It had been expected that if the Government was going to do so, it would be when it made the other changes to the controls. All yesterday's document said was that no decision had been reached and that if the Government decided on any changes they would be the subject of further consultation.

Details Page 7

Merger policy change wins few supporters

By John Elliott, Industrial Editor

PROPOSALS for altering the basis on which the Government operates its competition policy received a setback yesterday when they gained few supporters at a meeting of the National Economic Development Council.

The proposals, published as a Green Paper by Mr. Roy Hattersley, Secretary of State for Industry, were criticised by leaders of both the Confederation of British Industry and the TUC because they might slow down potentially valuable company mergers and so hurt British industrial efficiency.

Mr. Eric Varley, Secretary for Industry took a similar view, based on his Department's interest in stabilising the country's industrial policies. Only Mr. Edmund Dell, Trade Secretary, supported the proposals.

The Green Paper proposed that this should be shifted to a neutral approach. Leaders of both sides of industry fear that this would inevitably lead to more mergers being opposed.

The TUC in particular warned that such opposition could impede progress being made by the industrial strategy, a point which was made in a background document submitted to the meeting by the National Economic Development Office. The document also called for clarification of the criteria on which references can be made to the Price Commission.

After the meeting Mr. Geoffrey Chandler, who has just taken over as director general of the Development Office, said that speakers had repeatedly called for a pragmatic approach to the issue of company mergers.

Details Page 6

Mulley defends Fairford choice

By Michael Donne, Defence Correspondent

THE GOVERNMENT is to make the RAF airfield at Fairford, Gloucestershire, available to the U.S. Air Force for use by a squadron of 15 KC-135 aerial tanker aircraft.

Confirming this in the Commons yesterday, Mr. Fred Mulley, Secretary for Defence, argued that the decision would mean fewer, and not more, aircraft movements at Fairford, because many of the existing RAF and British Airways' training and other flights would have to go elsewhere.

He also claimed that "on balance, there will be less noise and pollution, not more. It will not add in any way to the understandable problems that arise anywhere where we have military airfield installations."

The decision to give Fairford to the USAF for tanker operations follows a search lasting six months, which has involved the study of 21 possible RAF and other airfields throughout the country.

Police pay report calls for 40% rise

By David Churchill and Richard Evans

A REPORT recommending pay rises averaging 40 per cent for Britain's 120,000 police officers is likely to be discussed by police leaders and Government ministers in separate meetings next week.

The report, by an independent committee headed by Lord Edmund-Davies, is being studied by Mr. Merlyn Rees, Home Secretary. The committee was set up to review police pay following the Police Federation's acceptance of a 10 per cent pay settlement from last September.

The Edmund-Davies report argues that substantial rises are needed to restore police pay to previous levels. The report is believed to recommend that a constable with 15 years experience should have his salary raised from £3,500 to £5,700, a 62 per cent increase.

Police officers would get an increase of £800, to bring them to £5,200, while Chief Constables would get £5,500 to bring them up to £20,000. In addition, the report recommends extra rises for police in London and Northern Ireland because of the special problems they face.

Although the Police Federation, which represents most police in England and Wales, has not yet seen the report, its officials are almost certain to make clear at its meeting next week that rises of about 40 per cent on average would not be enough to stem the flow of police resignations.

The Federation has put forward a rise for police in London of 78 and 104 per cent. Last year the police service faced a net loss of about 2,000 officers, while the number of reported crimes rose by 15 per cent.

The Cabinet, which is likely to consider the report at its meeting next week, will have to decide whether the police are a special case. The report is believed to recommend that the pay rises be implemented immediately, a move which would upset the Government's hopes of limiting pay rises in the coming year.

As the police have already had a 10 per cent pay rise in the current pay round, they are likely to object vigorously to a Government attempt to offer 10 per cent again with the rest phased over the next two years. This is the strategy adopted by the Government for other groups, such as doctors and nationalised industry chairmen.

Details Page 6

Pension funds criticise Barclays' ITC plan

By Eric Short

PENSION FUND investment managers yesterday expressed opposition in principle to Barclays Bank's planned £220m takeover of the Investment Trust Corporation.

A report by a sub-committee set up by the investment protection committee of the National Association of Pension Funds said that the method used by Barclays to issue equity capital was wrong in principle.

It believed that shares being offered for cash at a discount should first be offered to existing shareholders.

The sub-committee did not accept Barclays' claim that it was to the shareholders' advantage to raise capital without the need to call on shareholders. The report attacked Barclays for not giving more information on the financial effects of the proposals.

Under the proposed take-over, Barclays would issue shares for cash at a discount to the investment trust and then turn this issue into £25m in cash by selling it to the Post Office Staff Superannuation Fund. Opponents

of this move contend that Barclays should have gone to the present shareholders for the cash by means of a rights issue.

The committee is recommending that its members should abstain from voting in favour of the scheme at the bank's general meeting on Wednesday seeking approval for its proposals.

The sub-committee also called for outright rejection, after expressing its firm opposition, because in this case the immediate financial disadvantage to shareholders is not large.

Mr. Derek Weyer, a vice-chairman of Barclays Bank, said it was felt that the scheme offered a better deal to shareholders than a rights issue. It would be getting a 20 per cent increase in dividend without having to put up any cash, and the actual dilution was small.

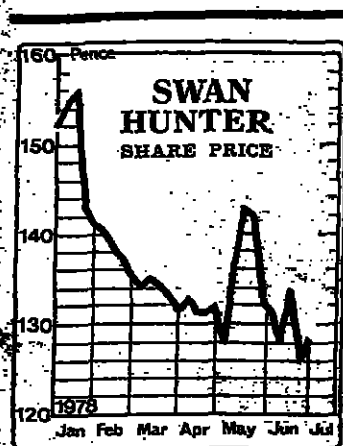
He claimed that early indications were that the vast majority of private shareholders supported the action of Barclays. Proxies so far received, from personal shareholders, showed 98 per cent in favour of the scheme. Many insurance companies had also indicated their approval, he said.

Parliament, Page 8

THE LEX COLUMN

The next step for Swan Hunter

Index fell 1.1 to 452.0



Swan Hunter thinks that the Government is paying fair compensation for its shipbuilding assets, which is good news for all the other companies which have still to agree terms of nationalisation. But Swan Hunter's payment is not going to give them much help in making out what they are likely to receive.

The £15m which is to be paid to Swan Hunter "as soon as possible" is almost spot on the book value of the shipbuilding assets in the last accounts, where they were valued at £15m. The terms are based on the average market capitalisation of the group in the months to February, 1978, which was about £16m.

Of course it can be argued that in this case existing shareholders are only suffering a modest dilution of their interest. Equally it is true other management have issued shares to buy back assets without incurring a squeeze of protest.

However this is a case where the financial costs to shareholders can be calculated in advance, since there is no room for argument about the value of what Barclays is buying. The deal seems bound to go through, but a good protest vote would help to make sure that it does not happen again.

The pension funds, for their part, can only gain credit for making their views known. Following their recent intervention in the Wilkinson Match affair, it may be more difficult for boards to treat their shareholders like sheep in the future.

However some of the pension funds are going to be used to support the shipbuilding industry, the continuing businesses made a trading loss in the half year to December—and the reconstruction will not go through.

As the pension funds have been resolved, given the uncertainties, the shares do not look wildly undervalued at 125, although they do seem set for a rise when trading is resumed.

Barclays

The pension funds do not want to pick a fight with the board of Barclays Bank. But they believe, rightly, that when shares are offered in exchange for cash at a discount to the market price they should first form of moratorium with its holders. So the deal whereby Barclays is issuing shares to the investment trust Corporation there will be far more liquidation in future and fewer wrong in principle, and a pro-

recipients or arrangements

VAT on Bad Debts

Companies, partnerships and trading individuals in temporary financial difficulty could find themselves pushed into liquidation or bankruptcy much faster in future if clause 10 of the Finance Bill is not altered. The effect of this clause is that the debtor has to be proven insolvent in the simplest terms of the law. VAT will not be recoverable on unpaid debts where a debtor company has entered receivership, or any form of moratorium with its creditors. Only the ultimate holders, so the deal whereby Barclays is issuing shares to the investment trust Corporation there will be far more liquidation in future and fewer wrong in principle, and a pro-

Gambling chips

Over in America the "rollers" may be flocking Atlantic City and casino sit have been in great demand, here in England gaming clubs are under a cloud. The share price is 26 per cent of its year's peak and Ladbroke down by over a sixth. Aras has deserted the Lom casinos and, more importantly, the Royal Commission Gambling is expected to report next Wednesday. In advance this, brokers Vickers & Co have published a background note, and while they believe that in the long run tight restrictions will benefit established commercial operators, the short term the operation of Mayfair casinos may be vulnerable to new legislation. Given the high level of profit which have come from London casinos — Ladbroke's profit has quadrupled over the last couple of years — the worry that the Royal Commission might have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have reached a plateau. The other fear is that the Gaming Board might encourage to tighten up on the issue of gaming licences at that overseas operations may be banned. Both Ladbroke & Coral have been looking on for future expansion but the Gaming Board is known to have something to say about casino duty levels, a time when gambling profits seem to have